1	STATE OF OKLAHOMA
2	1st Session of the 57th Legislature (2019)
3	HOUSE BILL 2367 By: Kannady
4	
5	
6	AS INTRODUCED
7	An Act relating to workers' compensation; amending Section 2, Chapter 208, O.S.L. 2013, as amended by
8	Section 1, Chapter 150, O.S.L. 2013, as amended by Section 1, Chapter 150, O.S.L. 2018 (85A O.S. Supp. 2018, Section 2), which relates to definitions in the
9	Administrative Workers' Compensation Act; modifying definitions; amending Sections 3 and 5, Chapter 208,
10	O.S.L. 2013 (85A O.S. Supp. 2018, Sections 3 and 5), which relate to the Administrative Workers'
11	Compensation Act; specifying application of the Administrative Workers' Compensation Act; modifying
12	scope of immunity; amending Section 6, Chapter 208, O.S.L. 2013, as amended by Section 1, Chapter 390,
13	0.S.L. 2015, as amended by Section 1, chapter 550, 0.S.L. 2015 (85A O.S. Supp. 2018, Section 6), which relates to crimes in violation of the Administrative
14	Workers' Compensation Act; eliminating certain notice requirement; amending Section 7, Chapter 208, O.S.L.
15	2013 (85A O.S. Supp. 2018, Section 7), which relates to discrimination or retaliation; modifying procedure
16	for determination of discrimination or retaliation; amending Sections 13 and 14, Chapter 208, O.S.L. 2013
17	(85A O.S. Supp. 2018, Sections 13 and 14), which relate to specific types of injury or illness;
18	modifying scope of certain exception related to mental illness; modifying compensation for employees
19	with mental injury or illness; eliminating prohibition against consideration of physical or
20	mental stress in determining if burden of proof is met in certain circumstances; amending Section 18,
21	Chapter 208, O.S.L. 2013 (85A O.S. Supp. 2018, Section 18), which relates to billing and collection
22	of fees for services; expanding methods of providing notice; authorizing employment of interpreter or
23	court reporter in certain circumstances; providing qualifications; providing for fees; amending Sections
24	19, as amended by Section 4, House Joint Resolution

1 No. 1096, page 1745, O.S.L. 2014, 20 and 21, Chapter 208, O.S.L. 2013 (85A O.S. Supp. 2018, Sections 19, 2 20 and 21), which relate to the Workers' Compensation Commission; providing for private meetings; 3 specifying purposes and requirements; correcting name of certain fund; clarifying scope of authority; 4 amending Sections 22 and 27, Chapter 208, O.S.L. 2013 (85A O.S. Supp. 2018, Sections 22 and 27), which 5 relate to administration of the Administrative Workers' Compensation Act; modifying powers and duties of the Workers' Compensation Commission; 6 amending Section 29, Chapter 208, O.S.L. 2013 (85A 7 O.S. Supp. 2018, Section 29), which relates to certain fees; clarifying that fees are annual fees; expanding authority of the Commission to assess fees; 8 authorizing execution of Affidavit of Exempt Status; 9 providing procedure and requirements for Affidavit of Exempt Status; requiring Affidavit to contain 10 specific language; providing that Affidavit establishes rebuttable presumption; providing criminal penalty for providing false information on 11 an Affidavit; requiring the Commission to notify the 12 Workers' Compensation Fraud Unit of fraudulent or suspected fraudulent activity; authorizing the 13 Commission to assess a fee for Affidavits; exempting employer from liability in certain circumstances; 14 amending Sections 38, 40 and 43, Chapter 208, O.S.L. 2013 (85A O.S. Supp. 2018, Sections 38, 40 and 43), 15 which relate to securing workers' compensation for employees; changing certain rule-making authority; 16 authorizing the Commission to award compensation in certain instances in which an employer has failed to 17 secure compensation; providing for confidentiality of certain files and reports; modifying scope of actions 18 against third parties; modifying lien and subrogation rights; amending Sections 45, as amended by Section 19 2, Chapter 390, O.S.L. 2015 and 46, Chapter 208, O.S.L. 2013 (85A O.S. Supp. 2018, Sections 45 and 20 46), which relate to disability; modifying temporary total and temporary partial disability compensation 21 and permanent partial disability compensation rates; authorizing employers to recover overpayment of 22 temporary total disability payments; modifying termination period for certain temporary total 23 disability payments; providing that actual earnings plus temporary partial disability compensation shall 24 not exceed temporary total disability rate;

1 authorizing the Commission to select alternative evaluation method for determination of permanent 2 partial disability; modifying what constitutes objective medical findings in certain circumstances; 3 making hiring or contracting for a Vocational Rehabilitation Director discretionary; eliminating 4 specified duties of the Vocational Rehabilitation Director; eliminating authorization to deduct 5 vocational rehabilitation tuition for compensation award; providing exception to waiting period for disfigurement awards; amending Sections 50, 53, 56 6 and 57, Chapter 208, O.S.L. 2013 (85A O.S. Supp. 7 2018, Sections 50, 53, 56 and 57), which relate to medical treatment; authorizing administrative law judges to order employers to provide detoxification 8 treatment; providing consequences if employee refuses 9 detoxification treatment; providing that employers and insurance carriers have right to audit or 10 question medical treatment for which they are billed; modifying limitation on charges for drugs and compounded medications; prohibiting physician from 11 dispensing prescription drugs from physician's 12 office; clarifying basis for certain payments; authorizing employer or insurance carrier to 13 designate pharmacy; providing for certain surgeries; modifying process for selecting physician in certain 14 circumstances; modifying circumstances which bar the right to receive temporary total disability payments 15 or terminate such payments; amending Section 60, Chapter 208, O.S.L. 2013 (85A O.S. Supp. 2018, 16 Section 60), which relates to evaluation of permanent disability; modifying reference to title of the 17 Director of the Commission; amending Section 62, Chapter 208, O.S.L. 2013 (85A O.S. Supp. 2018, 18 Section 62), which relates to soft tissue injuries; modifying what constitutes injections and soft tissue 19 injuries; amending Sections 63, 65, as amended by Section 3, Chapter 390, O.S.L. 2015, 66, 67, 69, 71, 20 78, 80, 82, 86 and 87, Chapter 208, O.S.L. 2013 (85A O.S. Supp. 2018, Sections 63, 65, 66, 67, 69, 71, 78, 21 80, 82, 86 and 87), which relate to procedure after injury; making certain reports confidential; 22 modifying circumstances for which an employer is liable for compensation for an occupational disease; 23 modifying standard of evidence for silicosis and asbestosis claims; eliminating certain authority of 24 the Commission regarding employees affected by

1 silicosis or asbestosis; eliminating certain review and compensation modification; modifying times for 2 filing; providing for dismissals; expanding methods for certain notice; clarifying name of certain fund; 3 providing for continuation of prescribed drugs during appeal process; providing for reimbursement to 4 employer in certain circumstances; modifying procedure and requirements for review of compensation 5 rulings; placing limitations on review; providing responsibility for payment of legal fees and litigation expenses; modifying definition; modifying 6 authority of attorney to recover fees for services; 7 making employer's filing to controvert claim discretionary; clarifying result of filing of joint petition; amending Section 90, Chapter 208, O.S.L. 8 2013 (85A O.S. Supp. 2018, Section 90), which relates 9 to bond or other deposit requirements; limiting Supreme Court review unless certain requirements are 10 met; exempting political subdivisions from certain bond requirements; amending Section 94, Chapter 208, O.S.L. 2013 (85A O.S. Supp. 2018, Section 94), which 11 relates to incarcerated employees; clarifying benefit 12 that the employees are not eligible for; amending Section 101, Chapter 208, O.S.L. 2013 (85A O.S. Supp. 13 2018, Section 101), which relates to certain reports and electronic data; modifying time for 14 implementation of electronic data interchange system; amending Section 152, Chapter 208, O.S.L. 2013 (85A 15 O.S. Supp. 2018, Section 109), which relates to the workers' compensation counselor or ombudsman program; 16 modifying method of notification of program; eliminating the authority of the Commission to 17 provide additional information regarding program; amending Section 158, Chapter 208, O.S.L. 2013 (85A 18 O.S. Supp. 2018, Section 115), which relates to joint petitions for settlement; correcting references; 19 requiring filing of memorandum of agreement; amending Sections 161 and 162, Chapter 208, O.S.L. 2013 (85A 20 O.S. Supp. 2018, Sections 118 and 119), which relate to fees; modifying scope of fee requirement; 21 correcting statutory references to certain fund; amending Section 163, Chapter 208, O.S.L. 2013 (85A 22 O.S. Supp. 2018, Section 120), which relates to inquiries about compensation claims; modifying scope 23 of certain requests; correcting statutory reference to certain fund; amending Section 164, Chapter 208, 24 O.S.L. 2013 (85A O.S. Supp. 2018, Section 121), which

1 relates to the Advisory Council on Workers' Compensation; modifying duties of the Council; 2 amending Section 165, Chapter 208, O.S.L. 2013, as amended by Section 4, Chapter 344, O.S.L. 2015 (85A 3 O.S. Supp. 2018, Section 122), which relates to tax rates and distribution of certain funds; modifying 4 certain apportionment and funding amounts; amending Section 166, Chapter 208, O.S.L. 2013 (85A O.S. Supp. 5 2018, Section 123), which relates to verified written declarations; providing for electronic data interchange system; amending Section 167, Chapter 6 208, O.S.L. 2013, as amended by Section 7, Chapter 7 169, O.S.L. 2014 (85A O.S. Supp. 2018, Section 124), which relates to transfers from the Workers' Compensation Court; modifying transfer; requiring the 8 Workers' Compensation Court of Existing Claims to pay 9 certain expenses; amending Sections 121, 125, 126, 128, 133, 134, 135, 137, 139, 141, 142, 143, 144 and 10 148, Chapter 208, O.S.L. 2013 (85A O.S. Supp. 2018, Sections 300, 304, 305, 307, 312, 313, 314, 316, 318, 11 320, 321, 322, 323 and 327), which relate to the Workers' Compensation Arbitration Act; updating 12 statutory references; amending Section 169, Chapter 208, O.S.L. 2013 (85A O.S. Supp. 2018, Section 400), 13 which relates to the Workers' Compensation Court of Existing Claims; modifying procedure for filling 14 vacancies; eliminating the authority of the Workers' Compensation Commission to appoint administrative law 15 judges to assist the Court when vacancies occur on the Court; authorizing Presiding Judge to contract 16 for services; eliminating procedure whereby rulings of the Court are appealable to the Commission; 17 providing appeal procedure; eliminating certain duties of administrative law judges; amending 25 O.S. 18 2011, Section 307, as last amended by Section 1, Chapter 252, O.S.L. 2018 (25 O.S. Supp. 2018, Section 19 307), which relates to the Oklahoma Open Meeting Act; authorizing the Workers' Compensation Commission to 20 hold executive sessions for specified purposes; repealing Sections 15 and 24, Chapter 208, O.S.L. 21 2013 (85A O.S. Supp. 2018, Sections 15 and 24), which relate to reports regarding funding needs for the 22 Workers' Compensation Fraud Investigation Unit; repealing Section 36, Chapter 208, O.S.L. 2013, as 23 amended by Section 1, Chapter 239, O.S.L. 2018 (85A O.S. Supp. 2018, Section 36), which relates to 24 liability other than that of an immediate employer;

1 repealing Sections 107, 108, 109, 110, as amended by Section 4, Chapter 390, O.S.L. 2015, 111, 112, as 2 amended by Section 5, Chapter 390, O.S.L. 2015, 113, 114, 115, 116, 117, 118, as amended by Section 6, 3 Chapter 390, O.S.L. 2015, 119 and 120, Chapter 208, O.S.L. 2013 (85A O.S. Supp. 2018, Sections 200, 201, 4 202, 203, 204, 205, 206, 207, 208, 209, 210, 211, 212 and 213), which relate to the Oklahoma Employee 5 Injury Benefit Act; providing for codification; providing effective dates; and declaring an 6 emergency. 7 8 9 BE IT ENACTED BY THE PEOPLE OF THE STATE OF OKLAHOMA: SECTION 1. 10 Section 2, Chapter 208, O.S.L. AMENDATORY 11 2013, as amended by Section 1, Chapter 150, O.S.L. 2018 (85A O.S. 12 Supp. 2018, Section 2), is amended to read as follows: 13 Section 2. As used in the Administrative Workers' Compensation 14 Act: 15 "Actually dependent" means a surviving spouse, a child or 1. 16 any other person who receives one-half (1/2) or more of his or her 17 support from the employee; 18 "Carrier" means any stock company, mutual company, or 2. 19 reciprocal or interinsurance exchange authorized to write or carry 20 on the business of workers' compensation insurance in this state. 21 Whenever required by the context, the term "carrier" shall be deemed 22 to include duly qualified self-insureds or self-insured groups; 23 3. "Case management" means the ongoing coordination, by a case 24 manager, of health care services provided to an injured or disabled

1 worker, including but not limited to systematically monitoring the treatment rendered and the medical progress of the injured or 2 3 disabled worker; ensuring that any treatment plan follows all 4 appropriate treatment protocols, utilization controls and practice 5 parameters; assessing whether alternative health care services are appropriate and delivered in a cost-effective manner based upon 6 7 acceptable medical standards; and ensuring that the injured or disabled worker is following the prescribed health care plan; 8

9 4. "Case manager" means a person who is a registered nurse with 10 a current, active unencumbered license from the Oklahoma Board of 11 Nursing, or possesses one or more of the following certifications 12 which indicate the individual has a minimum number of years of case 13 management experience, has passed a national competency test and 14 regularly obtains continuing education hours to maintain 15 certification:

16 Certified Disability Management Specialist (CDMS), a. 17 b. Certified Case Manager (CCM), 18 Certified Rehabilitation Registered Nurse (CRRN), с. 19 Case Manager - Certified (CMC), d. 20 Certified Occupational Health Nurse (COHN), or e. 21 f. Certified Occupational Health Nurse Specialist (COHN-22 S);

23 5. "Certified workplace medical plan" means an organization of
24 health care providers or any other entity, certified by the State

1 Commissioner of Health, that is authorized to enter into a 2 contractual agreement with an employer, group self-insurance association plan, an employer's workers' compensation insurance 3 4 carrier, third-party administrator or an insured to provide medical 5 care under the Administrative Workers' Compensation Act. Certified plans shall only include plans which provide medical services and 6 7 payment for services on a fee-for-service basis to medical 8 providers;

9 6. "Child" means a natural or adopted son or daughter of the 10 employee under eighteen (18) years of age; or a natural or adopted son or daughter of an employee eighteen (18) years of age or over 11 12 who is physically or mentally incapable of self-support; or any 13 natural or adopted son or daughter of an employee eighteen (18) 14 years of age or over who is actually dependent; or any natural or 15 adopted son or daughter of an employee between eighteen (18) and 16 twenty-three (23) years of age who is enrolled as a full-time 17 student in any accredited educational institution. The term "child" 18 includes a posthumous child, a child legally adopted or one for whom 19 adoption proceedings are pending at the time of death, an actually 20 dependent stepchild or an actually dependent acknowledged child born 21 out of wedlock;

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

## Req. No. 7593

8. 1 "Commission" means the Workers' Compensation Commission; 2 "Compensable injury" means damage or harm to the 9. a. 3 physical structure of the body, or prosthetic 4 appliances, including eyeqlasses, contact lenses, or 5 hearing aids, caused solely as the result of either an accident, cumulative trauma or occupational disease 6 7 arising out of the course and scope of employment. An "accident" means an event involving factors external 8 9 to the employee that: 10 (1)was unintended, unanticipated, unforeseen, 11 unplanned and unexpected, 12 occurred at a specifically identifiable time and (2)13 place, 14 (3) occurred by chance or from unknown causes, and 15 was independent of sickness, mental incapacity, (4) 16 bodily infirmity or any other cause. 17 b. "Compensable injury" does not include: 18 injury to any active participant in assaults or (1)19 combats which, although they may occur in the 20 workplace, are the result of non-employment-21 related hostility or animus of one, both, or all 22 of the combatants and which assault or combat 23 amounts to a deviation from customary duties; 24 provided, however, injuries caused by horseplay

1		shall not be considered to be compensable
2		injuries, except for innocent victims,
3	(2)	injury incurred while engaging in or performing
4		or as the result of engaging in or performing any
5		recreational or social activities for the
6		employee's personal pleasure,
7	(3)	injury which was inflicted on the employee at a
8		time when employment services were not being
9		performed or before the employee was hired or
10		after the employment relationship was terminated,
11	(4)	injury where the accident was caused by the use
12		of alcohol, <u>an</u> illegal <del>drugs</del> <u>controlled</u>
13		<u>substance</u> , <del>or</del> prescription drugs used in
14		contravention of physician's orders <u>or a legal</u>
15		controlled substance used in contravention of a
16		physician's orders. If, within twenty-four (24)
17		hours of being injured or reporting an injury, <u>or</u>
18		at any time after a fatal injury when the
19		employee does not survive at least twenty-four
20		(24) hours after an accident, a biological
21		specimen is collected by the Office of the Chief
22		Medical Examiner, and an employee tests positive
23		for intoxication alcohol, an illegal controlled
24		substance, prescription drugs used in
	-	

<u>contravention of a physician's orders</u> or a legal controlled substance used in contravention to <u>of</u> a treating physician's orders, or refuses to undergo the drug and alcohol testing, there shall be a rebuttable presumption that the injury was caused by the use of alcohol, <u>an</u> illegal <del>drugs</del> <u>drug</u>, <del>or</del> prescription <del>drugs</del> <u>drug</u> used in contravention of physician's orders <u>or a legal</u> <u>controlled substance used in contravention of a</u> <u>physician's orders</u>. This presumption may only be overcome if the employee proves by clear and convincing evidence that his or her state of intoxication had no causal relationship to the injury,

15	(5)	any strain, degeneration, damage or harm to, or
16		disease or condition of, the eye or
17		musculoskeletal structure or other body part
18		resulting from the natural results of aging,
19		osteoarthritis, arthritis, or degenerative
20		process including, but not limited to,
21		degenerative joint disease, degenerative disc
22		disease, degenerative
23		spondylosis/spondylolisthesis and spinal
24		stenosis, or

1

2

3

4

5

6

7

8

9

10

11

12

13

1		(6) any preexisting condition except when the
2		treating physician clearly confirms an
3		identifiable and significant aggravation incurred
4		in the course and scope of employment.
5	с.	The definition of "compensable injury" shall not be
6		construed to limit or abrogate the right to recover
7		for mental injuries as described in Section 13 of this
8		title, heart or lung injury or illness as described in
9		Section 14 of this title, or occupational diseases as
10		described in Section 65 of this title.
11	d.	A compensable injury shall be established by medical
12		evidence supported by objective findings as defined in
13		paragraph 31 of this section.
14	e.	The injured employee shall prove by a preponderance of
15		the evidence that he or she has suffered a compensable
16		injury.
17	f.	Benefits shall not be payable for a condition which
18		results from a non-work-related independent
19		intervening cause following a compensable injury which
20		causes or prolongs disability, aggravation, or
21		requires treatment. A non-work-related independent
22		intervening cause does not require negligence or
23		recklessness on the part of a claimant.
24		

1g. An employee who suffers a compensable injury shall be2entitled to receive compensation as prescribed in this3act. Notwithstanding other provisions of law, if it4is determined that a compensable injury did not occur,5the employee shall not be entitled to compensation6under this act;

7 10. "Compensation" means the money allowance payable to the 8 employee or to his or her dependents and includes the medical 9 services and supplies provided for in Section 50 of this title and 10 funeral expenses;

11 11. "Consequential injury" means injury or harm to a part of 12 the body that is a direct result of the injury or medical treatment 13 to the part of the body originally injured in the claim. The 14 Commission shall not make a finding of a consequential injury unless 15 it is established by objective medical evidence that medical 16 treatment for such part of the body is required;

17 12. "Continuing medical maintenance" means medical treatment 18 that is reasonable and necessary to maintain claimant's condition 19 resulting from the compensable injury or illness after reaching 20 maximum medical improvement. Continuing medical maintenance shall 21 not include diagnostic tests, surgery, injections, counseling, 22 physical therapy, or pain management devices or equipment <u>unless the</u> 23 <u>Commission finds it in the best interest of the employee</u>;

24

Req. No. 7593

1 13. "Course and scope of employment" means an activity of any 2 kind or character for which the employee was hired and that relates to and derives from the work, business, trade or profession of an 3 4 employer, and is performed by an employee in the furtherance of the 5 affairs or business of an employer. The term includes activities conducted on the premises of an employer or at other locations 6 7 designated by an employer and travel by an employee in furtherance of the affairs of an employer that is specifically directed by the 8 9 employer. This term does not include:

10

11

 a. an employee's transportation to and from his or her place of employment,

- 12 travel by an employee in furtherance of the affairs of b. 13 an employer if the travel is also in furtherance of 14 personal or private affairs of the employee, 15 any injury occurring in a parking lot or other common с. 16 area adjacent to an employer's place of business 17 before the employee clocks in or otherwise begins work 18 for the employer or after the employee clocks out or 19 otherwise stops work for the employer unless the 20 employer owns or maintains exclusive control over the 21 area, or
- d. any injury occurring while an employee is on a work
  break, unless the injury occurs while the employee is
  on a work break inside the employer's facility or in

1an area owned by or exclusively controlled by the2employer and the work break is authorized by the3employee's supervisor;

"Cumulative trauma" means an injury to an employee that is 4 14. 5 caused by the combined effect of repetitive physical activities extending over a period of time in the course and scope of 6 7 employment. Cumulative trauma shall not mean fatigue, soreness or general aches and pain that may have been caused, aggravated, 8 9 exacerbated or accelerated by the employee's course and scope of 10 employment. Cumulative trauma shall have resulted directly and 11 independently of all other causes and the employee shall have 12 completed at least one hundred eighty (180) days of continuous 13 active employment with the employer;

14 15. "Death" means only death resulting from compensable injury 15 as defined in paragraph 9 of this section;

16 16. "Disability" means incapacity because of compensable injury 17 to earn, in the same or any other employment, substantially the same 18 amount of wages the employee was receiving at the time of the 19 compensable injury the loss of use or function of a part of the body 20 which must be proven by objective findings, as defined in paragraph 21 of this section;

17. "Drive-away operations" includes every person engaged in the business of transporting and delivering new or used vehicles by driving, either singly or by towbar, saddle-mount or full-mount 1 method, or any combination thereof, with or without towing a
2 privately owned vehicle;

"Employee" means any person, including a minor, in the 3 18. a. 4 service of an employer under any contract of hire or 5 apprenticeship, written or oral, expressed or implied, but excluding one whose employment is casual and not 6 7 in the course of the trade, business, profession, or occupation of his or her employer and excluding one 8 9 who is required to perform work for a municipality or 10 county or the state or federal government on having 11 been convicted of a criminal offense or while 12 incarcerated. "Employee" shall also include a member 13 of the Oklahoma National Guard while in the 14 performance of duties only while in response to state 15 orders and any authorized voluntary or uncompensated 16 worker, rendering services as a firefighter, peace 17 officer or emergency management worker. Travel by a 18 policeman, fireman, or a member of a first aid or 19 rescue squad, in responding to and returning from an 20 emergency, shall be deemed to be in the course of 21 employment.

23

24

22

(1) any person for whom an employer is liable under any Act of Congress for providing compensation to

The term "employee" shall not include:

b.

1 employees for injuries, disease or death arising 2 out of and in the course of employment including, 3 but not limited to, the Federal Employees' 4 Compensation Act, the Federal Employers' 5 Liability Act, the Longshore and Harbor Workers' 6 Compensation Act and the Jones Act, to the extent 7 his or her employees are subject to such acts, (2) any person who is employed in agriculture, 8 9 ranching or horticulture by an employer who had a 10 gross annual payroll in the preceding calendar 11 year of less than One Hundred Thousand Dollars 12 (\$100,000.00) wages for agricultural, ranching or 13 horticultural workers, or any person who is 14 employed in agriculture, ranching or horticulture 15 who is not engaged in operation of motorized 16 machines. This exemption applies to any period 17 of time for which such employment exists, 18 irrespective of whether or not the person is 19 employed in other activities for which the 20 exemption does not apply. If the person is 21 employed for part of a year in exempt activities 22 and for part of a year in nonexempt activities, 23 the employer shall be responsible for providing 24 workers' compensation only for the period of time for which the person is employed in nonexempt activities,

3 (3) any person who is a licensed real estate sales 4 associate or broker, paid on a commission basis, 5 (4) any person who is providing services in a medical 6 care or social services program, or who is a 7 participant in a work or training program, administered by the Department of Human Services, 8 9 unless the Department is required by federal law 10 or regulations to provide workers' compensation 11 for such person. This division shall not be 12 construed to include nursing homes, 13 (5) any person employed by an employer with five or 14 fewer total employees, all of whom are related 15 within the second degree by blood or marriage to 16 the employer, are dependents living in the 17 household of the employer, or are a combination 18 of such relatives and dependents, if the employer 19 is a natural person or a general or limited 20 partnership, or an incorporator of a corporation 21 if the corporation is the employer in the 22 household of the owner of the employer if the 23 employer is not a natural person and the owner 24 owns fifty percent (50%) or more of the employer,

1

2

- (6) any person employed by an employer which is a
   youth sports league which qualifies for exemption
   from federal income taxation pursuant to federal
   law,
- 5 (7) sole proprietors, members of a partnership, 6 individuals who are party to a franchise 7 agreement as set out by the Federal Trade 8 Commission franchise disclosure rule, 16 CFR 9 436.1 through 436.11, members of a limited 10 liability company who own at least ten percent 11 (10%) of the capital of the limited liability 12 company or any stockholder-employees of a 13 corporation who own ten percent (10%) or more 14 stock in the corporation, unless they elect to be 15 covered by a policy of insurance covering 16 benefits under the Administrative Workers' 17 Compensation Act,
- 18 (8) any person providing or performing voluntary
  19 service who receives no wages for the services
  20 other than meals, drug or alcohol rehabilitative
  21 therapy, transportation, lodging or reimbursement
  22 for incidental expenses except for volunteers
  23 specifically provided for in subparagraph a of
  24 this paragraph,

1 (9) a person, commonly referred to as an owner-2 operator, who owns or leases a truck-tractor or 3 truck for hire, if the owner-operator actually 4 operates the truck-tractor or truck and if the 5 person contracting with the owner-operator is not 6 the lessor of the truck-tractor or truck. 7 Provided, however, an owner-operator shall not be precluded from workers' compensation coverage 8 9 under the Administrative Workers' Compensation 10 Act if the owner-operator elects to participate 11 as a sole proprietor,

12 (10)a person referred to as a drive-away owner-13 operator who privately owns and utilizes a tow 14 vehicle in drive-away operations and operates 15 independently for hire, if the drive-away owner-16 operator actually utilizes the tow vehicle and if 17 the person contracting with the drive-away owner-18 operator is not the lessor of the tow vehicle. 19 Provided, however, a drive-away owner-operator 20 shall not be precluded from workers' compensation 21 coverage under the Administrative Workers' 22 Compensation Act if the drive-away owner-operator 23 elects to participate as a sole proprietor, and

24

(11) any person who is employed as a domestic servant or as a casual worker in and about a private home or household, which private home or household had a gross annual payroll in the preceding calendar year of less than Fifty Thousand Dollars (\$50,000.00) for such workers;

7 "Employer" means a person, partnership, association, 19. limited liability company, corporation, and the legal 8 9 representatives of a deceased employer, or the receiver or trustee 10 of a person, partnership, association, corporation, or limited 11 liability company, departments, instrumentalities and institutions 12 of this state and divisions thereof, counties and divisions thereof, 13 public trusts, boards of education and incorporated cities or towns 14 and divisions thereof, employing a person included within the term 15 "employee" as defined in this section. Employer may also mean the 16 employer's workers' compensation insurance carrier, if applicable. 17 Except as provided otherwise, this act applies to all public and 18 private entities and institutions. Employer shall not include a 19 qualified employer with an employee benefit plan as provided under 20 the Oklahoma Employee Injury Benefit Act in Sections 200 through 213 21 of this title;

22 20. "Employment" includes work or labor in a trade, business,
23 occupation or activity carried on by an employer or any authorized

voluntary or uncompensated worker rendering services as a
 firefighter, peace officer or emergency management worker;

3 21. "Evidence-based" means expert-based, literature-supported 4 and outcomes validated by well-designed randomized trials when such 5 information is available and which uses the best available evidence 6 to support medical decision making;

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

10 23. "Impaired self-insurer" means a private self-insurer or 11 group self-insurance association that fails to pay its workers' 12 compensation obligations, or is financially unable to do so and is 13 the subject of any proceeding under the Federal Bankruptcy Reform 14 Act of 1978, and any subsequent amendments or is the subject of any 15 proceeding in which a receiver, custodian, liquidator, 16 rehabilitator, trustee or similar officer has been appointed by a 17 court of competent jurisdiction to act in lieu of or on behalf of 18 the self-insurer;

19 24. "Incapacity" means inadequate strength or ability to 20 perform a work-related task;

21 25. "Insurance Commissioner" means the Insurance Commissioner
22 of the State of Oklahoma;

23 26. "Insurance Department" means the Insurance Department of 24 the State of Oklahoma;

Req. No. 7593

1 27. "Major cause" means more than fifty percent (50%) of the 2 resulting injury, disease or illness. A finding of major cause 3 shall be established by a preponderance of the evidence. A finding 4 that the workplace was not a major cause of the injury, disease or 5 illness shall not adversely affect the exclusive remedy provisions 6 of this act and shall not create a separate cause of action outside 7 this act;

8 28. "Maximum medical improvement" means that no further 9 material improvement would reasonably be expected from medical 10 treatment or the passage of time;

11 29. "Medical services" means those services specified in 12 Section 50 of this title;

13 30. "Misconduct" shall include the following:

14 a. unexplained absenteeism or tardiness,

- b. willful or wanton indifference to or neglect of theduties required,
- c. willful or wanton breach of any duty required by the
  employer,
- d. the mismanagement of a position of employment by
  action or inaction,
- e. actions or omissions that place in jeopardy the
  health, life, or property of self or others,
- 23 f. dishonesty,
- 24 g. wrongdoing,

1		h.	viol	ation	n of a law, or
2		i.	a vi	olati	on of a policy or rule adopted to ensure
3			orde	erly w	work or the safety of self or others;
4	31.	a.	(1)	"Obj	ective findings" are those findings which
5				cann	not come under the voluntary control of the
6				pati	ent.
7			(2)	(a)	When determining permanent disability, a
8					physician, any other medical provider, an
9					administrative law judge, the Commission or
10					the courts shall not consider complaints of
11					pain.
12				(b)	For the purpose of making permanent
13					disability ratings to the spine, physicians
14					shall use criteria established by the most
15					current edition of the American Medical
16					Association "Guides to the Evaluation of
17					Permanent Impairment".
18			(3)	(a)	Objective evidence necessary to prove
19					permanent disability in occupational hearing
20					loss cases may be established by medically
21					recognized and accepted clinical diagnostic
22					methodologies, including, but not limited
23					to, audiological tests that measure air and
24					

1 bone conduction thresholds and speech 2 discrimination ability. 3 Any difference in the baseline hearing (b) 4 levels shall be confirmed by subsequent 5 testing; provided, however, such test shall 6 be given within four (4) weeks of the 7 initial baseline hearing level test but not before five (5) days after being adjusted 8 9 for presbycusis. 10 b. Medical opinions addressing compensability and 11 permanent disability shall be stated within a 12 reasonable degree of medical certainty; 13 32. "Official Disability Guidelines" or "ODG" means the current 14 edition of the Official Disability Guidelines and the ODG Treatment 15 in Workers' Comp as published by the Work Loss Data Institute; 16 "Permanent disability" means the extent, expressed as a 33. 17 percentage, of the loss of a portion of the total physiological 18 capabilities of the human body as established by competent medical 19 evidence and based on the current edition of the American Medical 20 Association guides to the evaluation of impairment, if the 21 impairment is contained therein. Loss of earning capacity directly 22 related to the permanent loss of use of a part of the body shall be 23 considered when determining permanent disability, but shall not 24 constitute a separate remedy under this act;

Req. No. 7593

1 34. "Permanent partial disability" means a permanent disability 2 or loss of use of a part of the body after maximum medical 3 improvement has been reached which prevents the injured employee, 4 who has been released to return to work by the treating physician, 5 from returning to his or her pre-injury or equivalent job and loss of earning capacity directly related to the disability. All 6 7 evaluations of permanent partial disability must be supported by objective findings, as defined in paragraph 31 of this section, and 8 9 competent evidence of loss of earning capacity; 10 35. "Permanent total disability" means, based on objective 11 findings, incapacity, based upon accidental injury or occupational 12 disease, to earn wages in any employment for which the employee may 13 become physically suited and reasonably fitted by education, 14 training, experience or vocational rehabilitation provided under 15 this act. Loss of both hands, both feet, both legs, or both eyes, 16 or any two thereof, shall constitute permanent total disability; 17 36. "Preexisting condition" means any illness, injury, disease, 18 or other physical or mental condition, whether or not work-related, 19 for which medical advice, diagnosis, care or treatment was 20 recommended or received preceding the date of injury; 21 "Pre-injury or equivalent job" means the job that the 37. 22 claimant was working for the employer at the time the injury 23 occurred or any other employment offered by the claimant's employer 24

1 that pays at least one hundred percent (100%) of the employee's
2 average weekly wage;

3 38. "Private self-insurer" means a private employer that has been authorized to self-insure its workers' compensation obligations pursuant to this act, but does not include group self-insurance associations authorized by this act, or any public employer that self-insures pursuant to this act;

8 39. "Prosthetic" means an artificial device used to replace a 9 part or joint of the body that is lost or injured in an accident or 10 illness covered by this act;

40. "Scheduled member" or "member" means hands, fingers, arms, legs, feet, toes, and eyes. In addition, for purposes of the Multiple Injury Trust Fund only, "scheduled member" means hearing impairment;

41. "Scientifically based" involves the application of rigorous, systematic, and objective procedures to obtain reliable and valid knowledge relevant to medical testing, diagnoses and treatment; is adequate to justify the general conclusions drawn; and has been accepted by a peer-review journal or approved by a panel of independent experts through a comparably rigorous, objective, and scientific review;

42. "State average weekly wage" means the state average weekly
wage determined by the Oklahoma Employment Security Commission in
the preceding calendar year. If such determination is not

Req. No. 7593

1 available, the Commission shall determine the wage annually after 2 reasonable investigation;

43. "Subcontractor" means a person, firm, corporation or other
legal entity hired by the general or prime contractor to perform a
specific task for the completion of a work-related activity;

6 44. "Surgery" does not include an injection, or the forcing of7 fluids beneath the skin, for treatment or diagnosis;

8 45. "Surviving spouse" means the employee's spouse by reason of 9 a legal marriage recognized by the State of Oklahoma or under the 10 requirements of a common law marriage in this state, as determined 11 by the Workers' Compensation Commission;

12 46. "Temporary partial disability" means an injured employee 13 who is temporarily unable to perform his or her job, but may perform 14 alternative work offered by the employer;

15 47. "Time of accident" or "date of accident" means the time or 16 date of the occurrence of the accidental incident from which 17 compensable injury, disability, or death results; and

18 48. "Wages" means money compensation received for employment at 19 the time of the accident, including the reasonable value of board, 20 rent, housing, lodging, or similar advantage received from the 21 employer and includes the amount of tips required to be reported by 22 the employer under Section 6053 of the Internal Revenue Code and the 23 regulations promulgated pursuant thereto or the amount of actual 24 tips reported, whichever amount is greater.

Req. No. 7593

1 SECTION 2. AMENDATORY Section 3, Chapter 208, O.S.L. 2 2013 (85A O.S. Supp. 2018, Section 3), is amended to read as 3 follows:

4 Section 3. A. Every employer and every employee, unless 5 otherwise specifically provided in this act, shall be subject and 6 bound to the provisions of the Administrative Workers' Compensation 7 Act. However, nothing shall pay or provide benefits according to 8 the provisions of this act for the accidental injury or death of an 9 employee arising out of and in the course of his or her employment, 10 without regard to fault for such injury, if the employee's contract 11 of employment was made or if the injury occurred within this state. 12 If an employee makes a claim for an injury in another jurisdiction 13 and a final adjudication is entered in the case, the employee is 14 precluded from his or her right of action under the Administrative 15 Workers' Compensation Act. If the employee makes a claim or brings 16 an action in this state prior to a final adjudication in another 17 jurisdiction, any receipt of benefits in the other jurisdiction 18 shall not bar the claim or action in this state; provided however, 19 in no event shall the Workers' Compensation Commission grant 20 benefits that duplicate benefits paid by the employer or the 21 employer's insurance carrier in the other jurisdiction. Nothing in 22 this act shall be construed to conflict with any valid Act of 23 Congress governing the liability of employers for injuries received 24 by their employees.

Req. No. 7593

1	B. <del>This act</del> The State of Oklahoma accepts the provisions of the				
2	Acts of Congress designated as 40 U.S.C., Section 3172, formerly 40				
3	U.S.C., Section 290, and hereby extends the territorial jurisdiction				
4	of the Administrative Workers' Compensation Act of this state to all				
5	lands and premises within the exterior boundaries of this state				
6	which the federal government of the United States of America owns or				
7	holds by deed or act of cession, and to all purchases, projects,				
8	buildings, constructions, improvements and property within the				
9	exterior boundaries of this state belonging to the federal				
10	government of the United States of America, in the same manner and				
11	to the same extent as if the premises were under the exclusive				
12	jurisdiction of this state, subject only to the limitations placed				
13	thereon by the Acts of Congress.				
14	C. The Administrative Workers' Compensation Act shall apply				
15	only to claims for injuries and death based on accidents which occur				
16	on or after the effective date of this act February 1, 2014.				
17	C. D. The Workers' Compensation Code in effect before the				
18	effective date of this act February 1, 2014, shall govern all rights				
19	in respect to claims for injuries and death based on accidents				
20	occurring before the effective date of this act February 1, 2014.				
21	SECTION 3. AMENDATORY Section 5, Chapter 208, O.S.L.				
22	2013 (85A O.S. Supp. 2018, Section 5), is amended to read as				

1 Section 5. A. The rights and remedies granted to an employee 2 subject to the provisions of the Administrative Workers' 3 Compensation Act shall be exclusive of all other rights and remedies 4 of the employee, his legal representative, dependents, next of kin, 5 or anyone else claiming rights to recovery on behalf of the employee against the employer, or any principal, officer, director, employee, 6 7 stockholder, partner, or prime contractor of the employer on account 8 of injury, illness, or death. Negligent acts of a co-employee may 9 not be imputed to the employer. No role, capacity, or persona of 10 any employer, principal, officer, director, employee, or stockholder 11 other than that existing in the role of employer of the employee 12 shall be relevant for consideration for purposes of this act, and 13 the remedies and rights provided by this act shall be exclusive 14 regardless of the multiple roles, capacities, or personas the 15 employer may be deemed to have. For the purpose of extending the 16 immunity of this section, any operator or owner of an oil or gas 17 well or other operation for exploring for, drilling for, or 18 producing oil or gas shall be deemed to be an intermediate or 19 principal employer for services performed at a drill site or 20 location with respect to injured or deceased workers whose immediate 21 employer was hired by such operator or owner at the time of the 22 injury or death. 23 B. Exclusive remedy shall not apply if:

An employer fails to secure the payment of compensation due
 to the employee as required by this act. An injured employee, or
 his or her legal representative in case death results from the
 injury, may, at his or her option, elect to claim compensation under
 this act or to maintain a legal action in court for damages on
 account of the injury or death; or

7 The injury was caused by an intentional tort committed by 2. the employer. An intentional tort shall exist only when the 8 9 employee is injured as a result of willful, deliberate, specific 10 intent of the employer to cause such injury. Allegations or proof 11 that the employer had knowledge that the injury was substantially 12 certain to result from the employer's conduct shall not constitute 13 an intentional tort. The employee shall plead facts that show it is 14 at least as likely as it is not that the employer acted with the 15 purpose of injuring the employee. The issue of whether an act is an 16 intentional tort shall be a question of law.

17 C. The immunity from civil liability described in subsection A 18 of this section shall apply regardless of whether the injured 19 employee is denied compensation or deemed ineligible to receive 20 compensation under this act.

D. If an employer has failed to secure the payment of compensation for his or her injured employee as provided for in this act, an injured employee, or his or her legal representative if

death results from the injury, may maintain an action in the
 district court for damages on account of such injury.

E. The immunity created by the provisions of this section shall not extend to action against another employer, or its employees, on the same job as the injured or deceased worker where such other employer does not stand in the position of an intermediate or principal employer to the immediate employer of the injured or deceased worker.

9 F. The immunity created by the provisions of this section shall 10 not extend to action against another employer, or its employees, on 11 the same job as the injured or deceased worker even though such 12 other employer may be considered as standing in the position of a 13 special master of a loaned servant where such special master neither 14 is the immediate employer of the injured or deceased worker nor 15 stands in the position of an intermediate or principal employer to 16 the immediate employer of the injured or deceased worker.

G. This section shall not be construed to abrogate the loaned servant doctrine in any respect other than that described in subsection F of this section. Nothing in this act shall be construed to relieve the employer from any other penalty provided for in this act for failure to secure the payment of compensation under this act.

H. For the purpose of extending the immunity of this section,
any architect, professional engineer, or land surveyor shall be

1 deemed an intermediate or principal employer for services performed 2 at or on the site of a construction project, but this immunity shall 3 not extend to the negligent preparation of design plans and 4 specifications.

5 I. If the employer has failed to secure the payment of 6 compensation as provided in this act or in the case of an 7 intentional tort, the injured employee or his or her legal 8 representative may maintain an action either before the Commission 9 or in the district court, but not both.

SECTION 4. AMENDATORY Section 6, Chapter 208, O.S.L.
2013, as amended by Section 1, Chapter 390, O.S.L. 2015 (85A O.S.
Supp. 2018, Section 6), is amended to read as follows:

13 Section 6.

14 A. 1. a. Any person or entity who makes any material false 15 statement or representation, who willfully and 16 knowingly omits or conceals any material information, 17 or who employs any device, scheme, or artifice, or who 18 aids and abets any person for the purpose of: 19 obtaining any benefit or payment, (1)20 increasing any claim for benefit or payment, or (2) 21 obtaining workers' compensation coverage under (3) 22 this act, 23

shall be guilty of a felony punishable pursuant to Section 1663 of Title 21 of the Oklahoma Statutes.

b. A material false statement or representation includes,
 but is not limited to, attempting to obtain treatment
 or compensation for body parts that were not injured
 in the course and scope of employment.

c. Fifty percent (50%) of any criminal fine imposed and
collected under this section shall be paid and
allocated in accordance with applicable law to the
Workers' Compensation <u>Commission Revolving</u> Fund
administered by the Commission.

10 2. Any person or entity with whom any person identified in 11 division (1) of subparagraph a of paragraph 1 of this subsection has 12 conspired to achieve the proscribed ends shall, by reason of such 13 conspiracy, be guilty as a principal of a felony.

B. A copy of division (1) of subparagraph a of paragraph 1 of
subsection A of this section shall be included on all forms
prescribed by the Commission for the use of injured employees
claiming benefits and for the use of employers in responding to
employees' claims under this act.

C. Where the Commission or the Attorney General finds that a violation of division (1) of subparagraph a of paragraph 1 of subsection A of this section has been committed, or that any other criminal violations in furtherance of this act were committed, the chair of the Commission or the Attorney General shall refer the

24

Req. No. 7593

1 matter for appropriate action to the prosecuting attorney having 2 criminal jurisdiction over the matter.

- There shall be established within the Office of the 3 D. 1. a. 4 Attorney General a Workers' Compensation Fraud 5 Investigation Unit, funded by the Commission. The Attorney General shall appoint a Director of the 6 7 Workers' Compensation Fraud Investigation Unit, who may also serve as the director of any other designated 8 9 insurance fraud investigation division within the 10 Attorney General's office.
- b. (1) The Unit shall investigate workers' compensation fraud, any additional criminal violations that may be related to workers' compensation fraud, and any other insurance fraud matters as may be assigned at the discretion of the Attorney General.
- 17 (2)The Attorney General shall designate the 18 personnel assigned to the Unit, who, on meeting 19 the qualifications established by the Oklahoma 20 Council on Law Enforcement Education and 21 Training, shall have the powers of specialized 22 law enforcement officers of the State of Oklahoma 23 for the purpose of conducting investigations 24 under this subparagraph. Personnel hired as

specialized law enforcement officers shall have a minimum of three (3) years of certified law enforcement experience or its equivalent in national or military law enforcement experience as approved by the Oklahoma Council on Law Enforcement Education and Training.

7 2. The Attorney General and his or her deputies and assistants
8 and the Director of the Workers' Compensation Fraud Investigation
9 Unit and his or her deputies and assistants shall be vested with the
10 power of enforcing the requirements of this section.

11 It shall be the duty of the Unit to assist the Attorney 3. General in the performance of his or her duties. The Unit shall 12 13 determine the identity of employees in this state who have violated 14 division (1) of subparagraph a of paragraph 1 of subsection A of 15 this section and report the violation to the Office of the Attorney 16 General and the Commission. The Attorney General shall report the 17 violation to the prosecuting attorney having jurisdiction over the 18 matter.

4. a. In the course of any investigation being conducted by
the Unit, the Attorney General and his or her deputies
and assistants and the Director and his or her
deputies and assistants shall have the power of
subpoena and may:

24 (1) subpoena witnesses,

1

2

3

4

5

6

- 1 (2)administer oaths or affirmations and examine any 2 individual under oath, and 3 (3) require and compel the production of records, books, papers, contracts, and other documents. 4 5 b. The issuance of subpoenas for witnesses shall be served in the same manner as if issued by a district 6 7 court. Upon application by the commissioner or the 8 с. (1)9 Director of the Unit, the district court located 10 in the county where a subpoena was served may 11 issue an order compelling an individual to comply 12 with the subpoena to testify. 13 (2) Any failure to obey the order of the court may be 14 punished as contempt. 15 d. If any person has refused in connection with an 16 investigation by the Director to be examined under 17 oath concerning his or her affairs, then the Director 18 is authorized to conduct and enforce by all 19 appropriate and available means any examination under 20 oath in any state or territory of the United States in 21 which any officer, director, or manager may then 22 presently be to the full extent permitted by the laws 23 of the state or territory.
- 24

1 In addition to the punishments described in paragraph e. 2 1 of subsection A of this section, any person providing false testimony under oath or affirmation in 3 4 this state as to any matter material to any 5 investigation or hearing conducted under this subparagraph, or any workers' compensation hearing, 6 7 shall upon conviction be guilty of perjury. 5. Fees and mileage of the officers serving the subpoenas and 8 9 of the witnesses in answer to subpoenas shall be as provided by law. 10 6. a. Every carrier or employer who has reason to suspect 11 that a violation of division (1) of subparagraph a of 12 paragraph 1 of subsection A of this section has 13 occurred shall be required to report all pertinent 14 matters to the unit. 15 No carrier or employer who makes a report for a b. 16 suspected violation of division (1) of subparagraph a 17 of paragraph 1 of subsection A of this section by an 18 employee shall be liable to the employee unless the 19 carrier or employer knowingly and intentionally 20 included false information in the report. 21 с. Any carrier or employer who willfully and (1)22 knowingly fails to report a violation under 23 division (1) of subparagraph a of paragraph 1 of 24 subsection A of this section shall be guilty of a 1misdemeanor and on conviction shall be punished2by a fine not to exceed One Thousand Dollars3(\$1,000.00).

- 4 (2) Fifty percent (50%) of any criminal fine imposed
  5 and collected under this subparagraph shall be
  6 paid and allocated in accordance with applicable
  7 law to the fund administered by the Commission.
- d. Any employee may report suspected violations of
  division (1) of subparagraph a of paragraph 1 of
  subsection A of this section. No employee who makes a
  report shall be liable to the employee whose suspected
  violations have been reported.

E. 1. For the purpose of imposing criminal sanctions or a fine for violation of the duties of this act, the prosecuting attorney shall have the right and discretion to proceed against any person or organization responsible for such violations, both corporate and individual liability being intended by this act.

2. The prosecuting attorney of the district to whom a suspected violation of subsection A of this section, or any other criminal violations that may be related thereto, have been referred shall, for the purpose of assisting him or her in such prosecutions, have the authority to appoint as special deputy prosecuting attorneys licensed attorneys-at-law in the employment of the Unit or any other designated insurance fraud investigation division within the Attorney General's office. Such special deputy prosecuting
 attorneys shall, for the purpose of the prosecutions to which they
 are assigned, be responsible to and report to the prosecuting
 attorney.

5 F. Notwithstanding any other provision of law, investigatory 6 files as maintained by the Attorney General's office and by the Unit 7 shall be deemed confidential and privileged. The files may be made 8 open to the public once the investigation is closed by the Director 9 of the Workers' Compensation Fraud Investigation Unit with the 10 consent of the Attorney General.

G. The Attorney General, with the cooperation and assistance of the Commission, is authorized to establish rules as may be necessary to carry out the provisions of this section.

H. Nothing in this section shall be deemed to create a civil cause of action.

I. The Commission shall include a statement on all forms for notices and instructions to employees, employers, carriers and third-party administrators that any person who commits workers' compensation fraud, upon conviction, shall be guilty of a felony punishable by imprisonment, a fine or both.

J. If an injured employee is charged with workers' compensation fraud, any pending workers' compensation proceeding, including benefits, shall be stayed after the preliminary hearing is concluded and the claimant is bound over and shall remain stayed until the

1 final disposition of the criminal case. All notice requirements 2 shall continue during the stay. <u>This subsection shall not be</u> 3 <u>construed to pertain to the electronic data interchange system</u> 4 <u>developed and implemented by the Commission pursuant to Section 101</u> 5 of this title.

6 If the Attorney General's Office is in compliance with the Κ. 7 discovery provisions of Section 258 of Title 22 of the Oklahoma Statutes, medical records created for the purpose of treatment and 8 9 medical opinions obtained during the investigation shall be 10 admissible at the preliminary hearing without the appearance of the 11 medical professional creating such records or opinions. However, 12 when material evidence dispositive to the issues of whether there 13 was probable cause the crime was committed and whether the defendant 14 committed the crime, was not included in a report or opinion 15 admitted at preliminary hearing, but might be presented at a 16 pretrial hearing by a medical professional who created such report 17 or opinion, the judge may, upon the motion of either party, order 18 the appearance of the medical professional creating such report or 19 opinion. Questions of fact regarding the conduct of the defendant 20 that conflict with the findings of the medical professional 21 evaluating the defendant shall not constitute material evidence. In 22 the event of such motion, notice shall be given to the Attorney 23 General's Workers Compensation Fraud and Investigation and 24 Prosecution Unit. A hearing shall be held and, if the motion is

granted, the evidence shall not be presented fewer than five (5)
 days later.

L. Any person or entity who, in good faith and exercising due 3 4 care, reports suspected workers' compensation fraud or insurance 5 fraud, or who allows access to medical records or other information pertaining to suspected workers' compensation or insurance fraud, by 6 7 persons authorized to investigate a report concerning the workers' compensation and insurance fraud, shall have immunity from any civil 8 9 or criminal liability for such report or access. Any such person or 10 entity shall have the same immunity with respect to participation in 11 any judicial proceeding resulting from such reports. For purposes 12 of any civil or criminal proceeding, there shall be a presumption of 13 good faith of any person making a report, providing medical records 14 or providing information pertaining to a workers' compensation or 15 insurance fraud investigation by the Attorney General, and 16 participating in a judicial proceeding resulting from a subpoena or 17 a report.

18 SECTION 5. AMENDATORY Section 7, Chapter 208, O.S.L.
19 2013 (85A O.S. Supp. 2018, Section 7), is amended to read as
20 follows:

21 Section 7. A. An employer may not discriminate or retaliate 22 against an employee when the employee has in good faith:

23 1. Filed a claim under this act;

24

Req. No. 7593

2. Retained a lawyer for representation regarding a claim under
 this act;

3 3. Instituted or caused to be instituted any proceeding under4 the provisions of this act; or

5 4. Testified or is about to testify in any proceeding under the6 provisions of this act.

B. The Commission district courts shall have exclusive
jurisdiction to hear and decide claims based on subsection A of this
section.

10 C. If the Commission determines that the defendant violated 11 subsection A of this section, the Commission may award the employee 12 back pay up to a maximum of One Hundred Thousand Dollars

13 (\$100,000.00). Interim earnings or amounts earnable with reasonable 14 diligence by the person discriminated against shall reduce the back 15 pay otherwise allowable.

16 D. The prevailing party shall be entitled to recover costs and 17 a reasonable attorney fee.

18 E. D. No employer may discharge an employee during a period of 19 temporary total disability for the sole reason of being absent from 20 work or for the purpose of avoiding payment of temporary total 21 disability benefits to the injured employee.

22 F. E. Notwithstanding any other provision of this section, an 23 employer shall not be required to rehire or retain an employee who, 24 after temporary total disability has been exhausted, is determined by a physician to be physically unable to perform his or her
 assigned duties, or whose position is no longer available.

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

5 H. The remedies provided for in this section shall be exclusive 6 with respect to any claim arising out of the conduct described in 7 subsection A of this section.

8 SECTION 6. AMENDATORY Section 13, Chapter 208, O.S.L. 9 2013 (85A O.S. Supp. 2018, Section 13), is amended to read as 10 follows:

11 Section 13. A. 1. A mental injury or illness is not a 12 compensable injury unless caused by a physical injury to the 13 employee, and shall not be considered an injury arising out of and 14 in the course and scope of employment or compensable unless 15 demonstrated by a preponderance of the evidence; provided, however, 16 that this physical injury limitation shall not apply to any victim 17 of a crime of violence or to a police officer, firefighter, 18 emergency medical technician, or any other employee of an emergency 19 service who is likely to be among the first people to arrive at and 20 assist at the scene of an emergency and who suffers a mental injury 21 related to duties performed responding to the emergency.

22 2. No mental injury or illness under this section shall be 23 compensable unless it is also diagnosed by a licensed psychiatrist 24 or psychologist and unless the diagnosis of the condition meets the criteria established in the most current issue of the Diagnostic and
 Statistical Manual of Mental Disorders.

3	B. 1. Notwithstanding any other provision of this act, where a		
4	claim is for mental injury or illness, the employee shall be limited		
5	to twenty-six (26) weeks of disability benefits unless it is shown		
6	by clear and convincing evidence that benefits should continue for a		
7	set period of time, not to exceed a total of fifty-two (52) weeks.		
8	2. a. In cases where death results directly from the mental		
9	injury or illness within a period of one (1) year,		
10	compensation shall be paid the dependents as provided		
11	in other death cases under this act.		
12	b. Death directly or indirectly related to the mental		
13	injury or illness occurring one (1) year or more from		
14	the incident resulting in the mental injury or illness		
15	shall not be a compensable injury		
16	An employee with a compensable mental injury or illness shall be		
17	entitled to compensation in the same manner as cases designated as		
18	"other cases" pursuant to subsection C of Section 46 of this title.		
19	SECTION 7. AMENDATORY Section 14, Chapter 208, O.S.L.		
20	2013 (85A O.S. Supp. 2018, Section 14), is amended to read as		
21	follows:		
22	Section 14. A. A cardiovascular, coronary, pulmonary,		
23	respiratory, or cerebrovascular accident or myocardial infarction		

24 causing injury, illness, or death is a compensable injury only if,

Req. No. 7593

in relation to other factors contributing to the physical harm, the
 course and scope of employment was the major cause.

B. 1. An injury or disease included in subsection A of this section shall not be deemed to be a compensable injury unless it is shown that the exertion of the work necessary to precipitate the disability or death was extraordinary and unusual in comparison to the employee's usual work in the course of the employee's regular employment, or that some unusual and unpredicted incident occurred which is found to have been the major cause of the physical harm.

10 2. Physical or mental stress shall not be considered in 11 determining whether the employee or claimant has met his or her 12 burden of proof.

SECTION 8. AMENDATORY Section 18, Chapter 208, O.S.L. 2013 (85A O.S. Supp. 2018, Section 18), is amended to read as follows:

16 Section 18. A. No hospital, physician, or other health care 17 provider shall bill or attempt to collect any fee or any portion of 18 a fee for services rendered to an employee due to a work-related 19 injury or report to any credit-reporting agency any failure of the 20 employee to make the payment, when a claim for compensation has been 21 filed under this act and the hospital, physician, or health care 22 provider has received actual notice given in writing by the employee 23 or the employee's representative. Actual notice shall be deemed 24 received by the hospital, physician, or health care provider five

## Req. No. 7593

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

D. This section shall not avoid void, modify, or amend any
other section or subsection of this act.

24

E. An order by the Workers' Compensation Commission under this 1 2 section shall stay all proceedings for collection.

3 F. Any party may employ the services of an interpreter or court 4 reporter at any hearing or proceeding or during discovery. 5 Provided, however, a party shall contract directly with an interpreter or court reporter whose principal place of business is 6 7 in the State of Oklahoma. The charge for such service shall be 8 limited to the actual fee of the interpreter or court reporter. 9 SECTION 9. AMENDATORY Section 19, Chapter 208, O.S.L. 10 2013, as amended by Section 4, House Joint Resolution No. 1096, Page 11 1745, O.S.L. 2014 (85A O.S. Supp. 2018, Section 19), is amended to 12 read as follows: 13 Section 19. A. There is hereby created the Oklahoma Workers' 14 Compensation Commission, an executive agency of the State of 15 Oklahoma, which shall have the exclusive responsibility and duty to 16 carry out the provisions of this act, except as otherwise provided. 17 Β. The Commission shall consist of three (3) full-time 18 commissioners, each of whom must have been involved in the workers' 19 compensation field for at least three (3) years, appointed by the 20 Governor: one of whom is chosen from a slate of three selected by 21 the Speaker of the House of Representatives, with all three

confirmed by the Senate. The term of each appointee shall be six 23 (6) years to administer the provisions of this act. The Governor 24 may request a subsequent slate of nominees from the Speaker of the

Req. No. 7593

22

1 House of Representatives if a suitable nominee is not found. Any or 2 all of the commissioners may be reappointed for additional six-year 3 terms upon reconfirmation by the Senate. However, the initial 4 commissioners shall serve staggered terms of two (2), four (4), and 5 six (6) years, respectively, as determined by the Governor. If the Legislature is not in session at the time of appointment, the 6 7 appointment shall be subject to confirmation by the Senate upon convening of the next regular session of the Legislature. 8 9 Membership on the Commission shall be a full-time position and no 10 commissioner shall have any other employment, unless authorized or 11 excused by law. Each commissioner shall receive a salary equal to 12 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 of the provisions of Section 1 of this resolution.

15 С. The Commission shall have the authority to adopt reasonable 16 rules within its respective areas of responsibility including the 17 rules of procedure for administrative hearings, after notice and 18 public hearing, for effecting the purposes of this act, in 19 accordance with the Oklahoma Administrative Procedures Act. All 20 rules, upon adoption, shall be published and be made available to 21 the public and, if not inconsistent with the law, shall be binding 22 in the administration of this act.

D. The principal office of the Commission shall be situated in
the City of Oklahoma City in quarters assigned by the Office of

## Req. No. 7593

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:

9 1. To organize, direct and develop the administrative work of 10 the administrative law judges, including but not limited to 11 docketing, clerical, technical and financial work and establishment 12 of hours of operation;

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

3. Such other duties and responsibilities authorized by law oras the Commission may prescribe.

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

G. When any commissioner of the Commission is disqualified for any reason to hear and participate in the determination of any matter pending before the Commission, the Governor shall appoint a qualified person to hear and participate in the decision on the

particular matter. The special commissioner so appointed shall have 1 2 all authority and responsibility with respect to the particular matter before the Commission as if the person were a regular 3 4 commissioner of the Commission but shall have no authority or 5 responsibility with respect to any other matter before the 6 Commission. A person appointed as a special commissioner of the 7 Commission under the provisions of this subsection shall be entitled 8 to receive a per diem equal to the annual salary of the 9 commissioners prorated for the number of days he or she serves in 10 the capacity of a special commissioner of the Commission. 11 Furthermore, when a vacancy on the Commission occurs or is certain 12 to occur, the position shall be filled pursuant to the provisions of 13 this section.

14 H. As authorized by Section 307 of Title 25 of the Oklahoma 15 Statutes, the members of the Commission may meet in private to 16 discuss policy, personnel and staffing administration and other 17 matters related to the state's workers' compensation system. 18 Provided, however, all three members must be present at the private 19 meeting and no official action shall be taken in the meeting. 20 SECTION 10. AMENDATORY Section 20, Chapter 208, O.S.L. 21 2013 (85A O.S. Supp. 2018, Section 20), is amended to read as 22 follows:

- 23
- 24

Section 20. A. In addition to its other duties and powers, the <u>Workers' Compensation</u> Commission is given and granted full power and authority:

To appoint administrative law judges to hear all claims for
compensation, including claims based on injuries which occurred
outside this state for which compensation is payable under this act.
An administrative law judge shall have been licensed to practice law
in this state for a period of not less than three (3) years and
shall have not less than three (3) years of workers' compensation
experience prior to appointment;

11 2. To remand any case to an administrative law judge for the 12 purpose of taking additional evidence;

13 3. To assess penalties;

14 4. To prescribe rules governing the representation of
15 employees, employers, and carriers in respect to claims before the
16 Commission;

5. 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

23 6. To have and exercise all other powers and duties conferred
24 or imposed by this act.

Req. No. 7593

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.

6 2. The administrative fees shall be established by regulation7 of the Commission.

8 3. Funds derived from administrative fees shall be deposited
9 into the Workers' Compensation <u>Commission Revolving</u> Fund to be used
10 to defray expenses incurred in preparation and distribution of
11 materials.

SECTION 11. AMENDATORY Section 21, Chapter 208, O.S.L. 2013 (85A O.S. Supp. 2018, Section 21), is amended to read as follows:

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.

23 2. Any investigation, inquiry, or hearing which the Commission
24 is authorized to hold or undertake may be held or undertaken by or

before any one commissioner of the Commission, or appointee acting
 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
appeals of decisions from administrative law judges, any reference
in this act title to the Commission's ability to hear and decide the
rights of interested parties under this act title shall not prevent
it from delegating that responsibility to an administrative law
judge.

SECTION 12. AMENDATORY Section 22, Chapter 208, O.S.L. 2013 (85A O.S. Supp. 2018, Section 22), is amended to read as follows:

Section 22. A. 1. For the purpose of administering the provisions of this act <u>title</u>, the Workers' Compensation Commission is authorized:

- a. to make rules necessary for the administration and
   operation of the Commission <u>as provided in Section 19</u>
   <u>of this title</u>,
- b. to appoint and fix the compensation of temporary
  technical assistants, medical and legal advisers,
  clerical assistants and other officers and employees,
  and

1	с.	to make such expenditures, including those for
2		personal service, rent, books, periodicals, office
3		equipment, and supplies, and for printing and binding
4		as may be necessary.
5	2. <del>a.</del>	Before the adoption, prescription, amendment,
6		modification, or repeal of any rule, regulation, or
7		form, the Commission shall give at least thirty (30)
8		days' notice of its intended action.
9	<del>b.</del>	The notice shall include a statement of the terms or
10		substance of the intended action or description of the
11		subjects and issues involved, and the time, place, and
12		manner in which interested persons may present their
13		views thereon.
14	<del>c.</del>	The notice shall be mailed to any person specified by
15		law or who shall have requested advance notice of
16		rule-making proceedings.
17	<del>3. The C</del>	ommission shall afford all interested persons a
18	reasonable op	portunity to submit written data, views, or arguments,
19	and, if the C	ommission in its discretion shall so direct, oral
20	testimony or	argument.
21	4. Each	rule, regulation, or form adopted by the Commission
22	shall be effe	ctive twenty (20) days after adoption unless a later
23	<del>date is speci</del>	fied by law or in the rule itself.
24		

1 5. All expenditures of the Commission in the administration of 2 this act shall be allowed and paid from the Workers' Compensation 3 Fund on the presentation of itemized vouchers approved by the 4 The Commission shall vote on any substantive change to any form 5 and the effective date of such substantive change. 6 The Commission may appoint as many persons as may be в. 1. 7 necessary to be administrative law judges and in addition may appoint such examiners, investigators, medical examiners, clerks, 8 9 and other employees as it deems necessary to effectuate the 10 provisions of this act title. 11 Employees appointed under this subsection shall receive an 2. 12 annual salary to be fixed by the Commission. 13 C. Additionally, the Commission shall have the following powers 14 and duties: 15 To hear and approve compromise settlements; 1. 16 To review and approve own-risk applications and group self-2. 17 insurance association applications; 18 To monitor own-risk, self-insurer and group self-insurance 3. 19 programs, in accordance with the rules of the Commission; 20 To contract with an appropriate state governmental entity, 4. 21 insurance carrier or approved service organization to process, 22 investigate and pay valid claims against an impaired self-insurer 23 which fails, due to insolvency or otherwise, to pay its workers' 24 compensation obligations, charges for which shall be paid from the

1 proceeds of security posted with the Commission as provided in 2 Section 38 of this act title;

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

7 7. To promulgate necessary rules for administering this act
8 <u>title</u> and develop uniform forms and procedures for use by
9 administrative law judges. Such rules shall be reviewable by the
10 Legislature;

8. To invest funds on behalf of the Multiple Injury Trust Fund;
 9. To appoint a Commission Mediator to conduct informal
 sessions to attempt to resolve assigned disputes; and

14 10. To establish a petty cash fund in an amount not to exceed 15 Five Hundred Dollars (\$500.00) to be used for the purpose of making 16 change for persons purchasing printed or electronic materials from 17 the Commission, paying fees and fines, and transacting other such 18 business with the Commission. The fund shall be established and 19 replenished from any monies available to the Commission for 20 operating expenses and it shall be administered pursuant to the 21 requirements of Section 195 of Title 62 of the Oklahoma Statutes; 22 and 23 11. Such other duties and responsibilities authorized by law.

24

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.

6 SECTION 13. AMENDATORY Section 27, Chapter 208, O.S.L.
7 2013 (85A O.S. Supp. 2018, Section 27), is amended to read as
8 follows:

9 Section 27. A. The Workers' Compensation Commission shall be 10 vested with jurisdiction over all claims filed pursuant to the Administrative Workers' Compensation Act. All claims so filed shall 11 12 be heard by the administrative law judge sitting without a jury. 13 The Commission shall have full power and authority to determine all 14 questions in relation to claims for compensation under the 15 provisions of the Administrative Workers' Compensation Act. The 16 Commission, upon application of either party, shall order a hearing. 17 Upon a hearing, either party may present evidence and be represented 18 by counsel. Except as provided in this act, the decision of the 19 administrative law judge shall be final as to all questions of fact 20 and law. The decision of the administrative law judge shall be 21 issued within thirty (30) days following the submission of the case 22 by the parties. The power and jurisdiction of the Commission over 23 each case shall be continuing and it may, from time to time, make

24

Req. No. 7593

such modifications or changes with respect to former findings or
 orders relating thereto if, in its opinion, it may be justified.

B. In addition to the duties set forth in this section, the administrative law judges shall have the following duties and powers:

1. To hear and determine claims for compensation, 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;

To hear and determine challenges to an agreement to
 arbitrate under the Workers' Compensation Arbitration Act; and

12 3. To assume duties within the Workers' Compensation Court of 13 Existing Claims as assigned by the Commission; and

14 4. To have and exercise all other powers and duties conferred 15 or imposed by the Commission or this act.

SECTION 14. AMENDATORY Section 29, Chapter 208, O.S.L. 2013 (85A O.S. Supp. 2018, Section 29), is amended to read as follows:

Section 29. A. Each carrier writing compensation insurance in this state shall pay to the <u>Workers' Compensation</u> Commission at the time of securing a license to transact business in this state <u>an</u> annual application fee of One Thousand Dollars (\$1,000.00) for the privilege of qualifying with the Commission for the writing of compensation insurance.

Req. No. 7593

1 B. Each self-insurer shall pay to the Commission an annual 2 application fee of One Thousand Dollars (\$1,000.00) at the time it 3 is approved to self-insure the obligations under this act. 4 C. The Commission may assess Each third-party administrators 5 administrator and marketing firm shall pay to the Commission an annual application fee of One Thousand Dollars (\$1,000.00). 6 7 D. Fees required pursuant to this section shall be deposited into to the credit of the Workers' Compensation Commission Revolving 8 9 Fund. A new section of law to be codified 10 SECTION 15. NEW LAW

11 in the Oklahoma Statutes as Section 36.1 of Title 85A, unless there 12 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. The affidavit shall contain the following statement, under oath:

"(1) I operate as a separate entity and am not an employee of any individual or entity; (2) No individual or entity directs my hours of employment or methods employed in performance of my job or provides tools for the performance of my job; (3) I do not hire any 1 worker or workers for which I direct hours of employment or methods employed in performance of a job or provide tools for the completion 2 3 of a job. If I do hire any employees, I will purchase a standard 4 workers' compensation insurance policy; and (4) The employer 5 accepting this affidavit in lieu of a standard insurance certificate acknowledges that this affidavit does not constitute insurance and 6 7 that if an individual offering this affidavit hires an employee, the affidavit is invalid for such employee and any liability falls on 8 9 the employer accepting the affidavit".

10 C. Execution of the affidavit shall establish a rebuttable 11 presumption that the executor is not an employee for purposes of the 12 Administrative Workers' Compensation Act and therefore shall not be 13 eligible to seek workers' compensation benefits against any 14 contractor and that an individual or company possessing the 15 affidavit is in compliance with the provisions of this section and 16 shall not be responsible for workers' compensation claims made by 17 the executor. Any employer has the right to reject an Affidavit of 18 Exempt Status and require a certificate of coverage from an 19 insurance carrier that is licensed to provide worker's compensation 20 insurance coverage in this state.

D. The execution of an affidavit shall not affect the rights or
 coverage of any employee of the individual executing the affidavit.
 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
4 at least ten-point, boldface print that it is a crime to falsify
5 information on the form.

3. 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.

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

16 G. If an employer relies in good faith on proof of a valid 17 workers' compensation insurance policy issued to a contractor of any 18 tier or on proof of an Affidavit of Exempt Status under this 19 section, the employer shall not be liable for injuries of any 20 employees of the contractor, unless the employer knew, or with the 21 exercise of reasonable care, should have known that no workers' 22 compensation insurance policy was in force or that the Affidavit of 23 Exempt Status was false, in whole or in part.

24

SECTION 16. AMENDATORY Section 38, Chapter 208, O.S.L.
 2013 (85A O.S. Supp. 2018, Section 38), is amended to read as
 follows:

4 Section 38. A. An employer shall secure compensation to 5 employees under this act in one of the following ways:

6 1. By insuring and keeping insured the payment of compensation 7 with any stock corporation, mutual association, or other concerns authorized to transact the business of workers' compensation 8 9 insurance in this state. When an insurer issues a policy to provide 10 workers' compensation benefits under the provisions of this act, it 11 shall file a notice with the Workers' Compensation Commission 12 containing the name, address, and principal occupation of the 13 employer, the number, effective date, and expiration date of the 14 policy, and such other information as may be required by the 15 Commission. The notice shall be filed by the insurer within thirty 16 (30) days after the effective date of the policy. Any insurer who 17 does not file the notice required by this paragraph shall be subject 18 to a fine by the Commission of not more than One Thousand Dollars 19 (\$1,000.00);

20 2. By obtaining and keeping in force guaranty insurance with 21 any company authorized to do guaranty business in this state. Each 22 company that issues workers' compensation guaranty insurance shall 23 file a copy of the contract with the Commission within thirty (30) 24 days after the effective date of the contract. Any company that

## Req. No. 7593

1 does not file a copy of the contract as required by this paragraph
2 shall be subject to a fine by the Commission of not more than One
3 Thousand Dollars (\$1,000.00);

3. By furnishing satisfactory proof to the Commission of the 4 5 employer's financial ability to pay the compensation. The 6 Commission, under Under rules adopted by the Insurance Department 7 Commission, the Commission shall require any employer that has: less than one hundred employees or less than One 8 a. 9 Million Dollars (\$1,000,000.00) in net assets to: 10 (1) deposit with the Commission securities, an irrevocable letter of credit or a surety bond 11 12 payable to the state, in an amount determined by 13 the Commission which shall be at least an average 14 of the yearly claims for the last three (3) 15 years, or 16 provide proof of excess coverage with such terms (2) 17 and conditions as is commensurate with their 18 ability to pay the benefits required by the 19 provisions of this act, and 20 b. one hundred or more employees and One Million Dollars 21 (\$1,000,000.00) or more in net assets to: 22 secure a surety bond payable to the state, or an (1) 23 irrevocable letter of credit, in an amount 24 determined by the Commission which shall be at

- least an average of the yearly claims for the
   last three (3) years, or
  - (2) provide proof of excess coverage with terms and conditions that are commensurate with their ability to pay the benefits required by the provisions of this act;

7 4. By forming a group self-insurance association consisting of two or more employers which shall have a common interest and which 8 9 shall have entered into an agreement to pool their liabilities under 10 the Administrative Workers' Compensation Act. Such agreement shall 11 be subject to rules of the Commission. Any employer, upon 12 application to become a member of a group self-insurance 13 association, shall file with the Commission a notice, in such form 14 as prescribed by the Commission, acknowledging that the employer 15 accepts joint and several liability. Upon approval by the 16 Commission of such application for membership, said member shall be 17 a qualified self-insured employer; or

18 5. By any other security as may be approved by the Commission19 and the Insurance Department.

B. The Commission may waive the requirements of this section in an amount which is commensurate with the ability of the employer to pay the benefits required by the provisions of this act. Irrevocable letters of credit required by this subsection shall contain such terms as may be prescribed by the Commission and shall

3

4

5

6

be issued for the benefit of the state by a financial institution
 whose deposits are insured by the Federal Deposit Insurance
 Corporation.

C. An employer who does not fulfill the requirements of this
section is not relieved of the obligation to pay compensation under
this act. The security required under this section, including any
interest, shall be maintained by the Commission as provided in this
act until each claim for benefits is paid, settled, or lapses under
this act, and costs of administration of such claims are paid.

D. Failure on the part of any employer to secure the payment of compensation provided in this act shall have the effect of enabling the Commission to assert the rights of an injured employee against the employer.

E. Any employer that knowingly provides false information to the Commission for purposes of securing or maintaining a selfinsurance permit shall be guilty of a felony and subject to a maximum fine of Ten Thousand Dollars (\$10,000.00).

18 SECTION 17. AMENDATORY Section 40, Chapter 208, O.S.L.
19 2013 (85A O.S. Supp. 2018, Section 40), is amended to read as
20 follows:

Section 40. A. 1. Any employer who fails to secure compensation required under this act, upon conviction, shall be guilty of a misdemeanor and subject to a fine of up to Ten Thousand

Dollars (\$10,000.00) to be deposited in the Workers' Compensation
 Commission Revolving Fund.

3 2. This subsection shall not affect any other liability of the4 employer under this act.

5 Β. 1. Whenever the Workers' Compensation Commission has reason to believe that any employer required to secure the payment of 6 7 compensation under this act has failed to do so, the Commission shall serve on the employer a proposed judgment declaring the 8 9 employer to be in violation of this act and containing the amount, 10 if any, of the civil penalty to be assessed against the employer 11 under paragraph 5 of this subsection.

- 2. a. An employer may contest a proposed judgment of the
  Commission issued under paragraph 1 of this subsection
  by filing with the Commission, within twenty (20) days
  of receipt of the proposed judgment, a written request
  for a hearing.
- b. The request for a hearing does not need to be in any
  particular form but shall specify the grounds on which
  the person contests the proposed judgment, the
  proposed assessment, or both.
- c. If a written request for hearing is not filed with the
  Commission within the time specified in subparagraph a
  of this paragraph, the proposed judgment, the proposed
  penalty, or both, shall be a final judgment of the

Commission and shall not be subject to further review by any court, except if the employer shows good cause why it did not timely contest the judgment or penalty.

- 4 d. A proposed judgment by the Commission under this
  5 section shall be prima facie correct, and the burden
  6 is on the employer to prove that the proposed judgment
  7 is incorrect.
- 3. a. If the employer alleges that a carrier has contracted
  b to provide it workers' compensation insurance coverage
  for the period in question, the employer shall include
  the allegation in its request for hearing and shall
  name the carrier.
- 13 b. The Commission shall promptly notify the carrier of 14 the employer's allegation and of the date of hearing. 15 The carrier shall promptly, and no later than five (5) с. 16 days before the hearing, respond in writing to the 17 employer's allegation by providing evidence of 18 coverage for the period in question or by 19 affirmatively denying the employer's allegation. 20 Hearings under this section shall be procedurally conducted 4. 21 as provided in Sections 69 through 78 of this act title. 22

5. The Commission may assess a fine against an employer who fails to secure the payment of compensation in an amount up to One 24

Req. No. 7593

1

2

3

Thousand Dollars (\$1,000.00) per day of violation payable to the
 Workers' Compensation <u>Commission Revolving</u> Fund.

3 6. If an employer fails to secure the payment of compensation 4 or pay any civil penalty assessed against the employer after a 5 judgment issued under this section has become final by operation of law or on appeal, the Commission may petition the Oklahoma County 6 District Court or the district court of the county where the 7 employer's principal place of business is located for an order 8 9 enjoining the employer from engaging in further employment until 10 such time as the employer secures the payment of compensation or 11 makes full payment of all civil penalties.

12 C. If an employee injury occurs during a period when an 13 employer has failed to secure the payment of compensation and the 14 employer has paid a civil penalty assessed pursuant to this section, 15 the Commission may, upon application of the injured employee and 16 hearing before an administrative law judge, award as compensation to 17 the injured employee an amount from the proceeds of the civil 18 penalty not to exceed the amount of the civil penalty. 19 D. Except as otherwise provided by law, the Commission may keep 20 its litigation files and investigatory reports pertaining to 21 enforcement of this section confidential. 22 Section 43, Chapter 208, O.S.L. SECTION 18. AMENDATORY

23 2013 (85A O.S. Supp. 2018, Section 43), is amended to read as

24 follows:

Req. No. 7593

1 Section 43. A. Liability Unaffected.

- a. The making of a claim for compensation against any
   employer or carrier for the injury or death of an
   employee shall not affect the right of the employee,
   or his or her dependents, to make a claim or maintain
   an action in court against any third party for the
   injury.
- 8 b. The employer or the employer's carrier shall be
  9 entitled to reasonable notice and opportunity to join
  10 in the action.
- 11 If the employer or employer's carrier join in the с. 12 action against a third party for injury or death, they 13 shall be entitled to a first lien on  $\frac{1}{100}$ 14 an equitable sum of the net proceeds recovered in the 15 action that remain after the payment of the reasonable 16 costs of collection, for the payment to them of the 17 amount paid and to be paid by them as compensation to 18 the injured employee or his or her dependents.

2. The commencement of an action by an employee or his or her dependents against a third party for damages by reason of an injury to which this act is applicable, or the adjustment of any claim, shall not affect the rights of the injured employee or his or her dependents to recover compensation, but any amount recovered by the

24

1 injured employee or his or her dependents from a third party shall
2 be applied as follows:

- a. reasonable fees and costs of collection shall be
  deducted,
  b. the employer or carrier, as applicable, shall receive
  two-thirds (2/3) of the remainder of the recovery or
  the amount of the workers' compensation lien,
  whichever is less an equitable sum, and
- 9 c. the remainder of the recovery shall go to the injured 10 employee or his or her dependents.
- 11 B. Determination of Equitable Sum.

12 <u>The equitable sum due the employer to satisfy the employer's</u> 13 <u>subrogation lien shall be determined by the district court after</u> 14 <u>consideration of the amount of compensation paid on behalf of the</u> 15 <u>employee, the total amount of the third-party recovery, and the</u> 16 <u>adequacy of the settlement to fairly compensate the employee for the</u> 17 <u>employee's disability and loss of earning capacity.</u>

18 C. Subrogation.

19 1. An employer or carrier liable for compensation under this 20 act for the injury or death of an employee shall have the right to 21 maintain an action in tort against any third party responsible for 22 the injury or death. However, the employer or the carrier shall 23 notify the claimant in writing that the claimant has the right to 24 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.

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

8 3. If the employer recovers against the third party, by suit or 9 otherwise, the injured employee shall be entitled to any amount 10 recovered in excess of the amount that the employer and carrier have 11 paid or are liable for in compensation, after deducting reasonable 12 costs of collection.

4. An employer or carrier who is liable for compensation under
this 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.

SECTION 19. AMENDATORY Section 45, Chapter 208, O.S.L.
2013, as amended by Section 2, Chapter 390, O.S.L. 2015 (85A O.S.
Supp. 2018, Section 45), is amended to read as follows:

20 Section 45. A. Temporary Total Disability.

1. If the injured employee is temporarily unable to perform his or her job or any alternative work offered by the employer, he or she shall be entitled to receive compensation equal to seventy percent (70%) of the injured employee's average weekly wage, but not

1 to exceed seventy percent (70%) of the state average weekly wage, 2 for one hundred four (104) weeks unless the Workers' Compensation Commission by clear and convincing evidence finds that the employee 3 4 remains temporarily disabled and under active medical treatment. 5 Provided, there shall be no payment for the first three (3) days of the initial period of temporary total disability. If an 6 7 administrative law judge finds that a consequential injury has 8 occurred and that additional time is needed to reach maximum medical 9 improvement, temporary total disability may continue for a period of 10 not more than an additional fifty-two (52) weeks. Such finding 11 shall be based upon a showing of medical necessity by clear and 12 convincing evidence. An employer shall have the right to recover 13 any overpayment of temporary total disability payments from a 14 subsequent permanent partial disability award if the offset is 15 deemed justified.

16 2. When the injured employee is released from active medical 17 treatment by the treating physician for all body parts found by the 18 Commission to be injured, or in the event that the employee, without 19 a valid excuse, misses three consecutive medical treatment 20 appointments, fails to comply with medical orders of the treating 21 physician, or otherwise abandons medical care, the employer shall be 22 entitled to terminate temporary total disability by notifying the 23 employee, or if represented, his or her counsel. If, however, an 24 objection to the termination is filed by the employee within ten

1 (10) days of termination, the Commission shall set the matter within 2 twenty (20) days for a determination if temporary total disability 3 compensation shall be reinstated. The temporary total disability 4 shall remain terminated unless the employee proves the existence of 5 a valid excuse for his or her failure to comply until such time as 6 the employee complies with medical orders of the treating physician 7 or his or her abandonment of medical care. The administrative law judge may appoint an independent medical examiner to determine if 8 9 further medical treatment is reasonable and necessary. The 10 independent medical examiner shall not provide treatment to the injured worker, unless agreed upon by the parties. 11

12 B. Temporary Partial Disability.

13 1. If the injured employee is temporarily unable to perform his 14 or her job, but may perform alternative work offered by the 15 employer, he or she shall be entitled to receive compensation equal 16 to the greater of seventy percent (70%) of the difference between 17 the injured employee's average weekly wage before the injury and his 18 or her weekly wage for performing alternative work after the injury, 19 but only if his or her weekly wage for performing the alternative 20 work is less than the temporary total disability rate. The injured 21 employee's actual earnings plus temporary partial disability 22 compensation shall not exceed the temporary total disability rate. 23 2. Compensation under this subsection may not exceed fifty-two

24 (52) weeks.

Req. No. 7593

3. If the employee refuses to perform the alternative work
 offered by the employee, he or she shall not be entitled to benefits
 under subsection A of this section or under this section.

4

C. Permanent Partial Disability.

5 1. A permanent partial disability award or combination of awards granted an injured worker may not exceed a permanent partial 6 7 disability rating of one hundred percent (100%) to any body part or to the body as a whole. The determination of permanent partial 8 9 disability shall be the responsibility of the Commission through its 10 administrative law judges. Any claim by an employee for 11 compensation for permanent partial disability must be supported by 12 competent medical testimony of a medical doctor, osteopathic 13 physician, or chiropractor, and shall be supported by objective 14 medical findings, as defined in this act. The opinion of the 15 physician shall include employee's percentage of permanent partial 16 disability and whether or not the disability is job-related and 17 caused by the accidental injury or occupational disease. A 18 physician's opinion of the nature and extent of permanent partial 19 disability to parts of the body other than scheduled members must be 20 based solely on criteria established by the current edition of the 21 American Medical Association's "Guides to the Evaluation of 22 Permanent Impairment" or an alternative evaluation method approved 23 by the Commission. A copy of any written evaluation shall be sent 24 to both parties within seven (7) days of issuance. Medical opinions

addressing compensability and permanent disability must be stated within a reasonable degree of medical certainty. Any party may submit the report of an evaluating physician.

Permanent partial disability shall not be allowed to a part 4 2. 5 of the body for which no medical treatment has been received. determination of permanent partial disability made by the Commission 6 7 or administrative law judge which is not supported by objective medical findings provided by a treating physician who is a medical 8 9 doctor, doctor of osteopathy, chiropractor or a qualified 10 independent medical examiner shall be considered an abuse of 11 discretion.

12 3. The examining physician shall not deviate from the Guides
13 except as may be specifically provided for in the Guides.

14 4. In cases of permanent partial disability, the compensation 15 shall be seventy percent (70%) of the employee's average weekly 16 wage, not to exceed Three Hundred Twenty-three Dollars (\$323.00) 17 <u>Three Hundred Ninety-one Dollars (\$391.00)</u> per week, for a term not 18 to exceed a total of three hundred fifty (350) weeks for the body as 19 a whole.

5. Except pursuant to settlement agreements entered into by the employer and employee, payment of a permanent partial disability award shall be deferred and held in reserve by the employer or insurance company if the employee has reached maximum medical improvement and has been released to return to work by his or her

Req. No. 7593

1	treating physi	cian, and then returns to his pre-injury or equivalent
2	<del>job for a term</del>	of weeks determined by dividing the total dollar
3	value of the a	ward by seventy percent (70%) of the employee's
4	average weekly	wage.
5	<del>a.</del>	The amount of the permanent partial disability award
6		shall be reduced by seventy percent (70%) of the
7		employee's average weekly wage for each week he works
8		in his pre-injury or equivalent job.
9	<del>b.</del>	If, for any reason other than misconduct as defined in
10		Section 2 of this act, the employer terminates the
11		employee or the position offered is not the pre-injury
12		or equivalent job, the remaining permanent partial
13		disability award shall be paid in a lump sum. If the
14		employee is discharged for misconduct, the employer
15		shall have the burden to prove that the employee
16		engaged in misconduct.
17	<del>c.</del>	If the employee refuses an offer to return to his pre-
18		injury or equivalent job, the permanent partial
19		disability award shall continue to be deferred and
20		shall be reduced by seventy percent (70%) of the
21		employee's average weekly wage for each week he
22		refuses to return to his pre-injury or equivalent job.
23	<del>d.</del>	Attorney fees for permanent partial disability awards,
24		as approved by the Commission, shall be calculated

Req. No. 7593

1based upon the total permanent partial disability2award and paid in full at the time of the deferral.3e. Assessments pursuant to Sections 31, 98, 112 and 1654of this act shall be calculated based upon the amount5of the permanent partial disability award and shall be6paid at the time of the deferral.

7 Previous Disability: The fact that an employee has <del>6.</del> 4. suffered previous disability or received compensation therefor shall 8 9 not preclude the employee from compensation for a later accidental 10 personal injury or occupational disease. In the event there exists 11 a previous permanent partial disability, including a previous non-12 work-related injury or condition which produced permanent partial 13 disability and the same is aggravated or accelerated by an 14 accidental personal injury or occupational disease, compensation for 15 permanent partial disability shall be only for such amount as was 16 caused by such accidental personal injury or occupational disease 17 and no additional compensation shall be allowed for the preexisting 18 disability or impairment. Any such reduction shall not apply to 19 temporary total disability, nor shall it apply to compensation for 20 medical treatment.

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

1 shall conclusively establish the amount of permanent 2 partial disability determined to be preexisting. If 3 workers' compensation benefits have not previously 4 been awarded through settlement or judicial or 5 administrative determination in Oklahoma, the amount 6 of preexisting permanent partial disability shall be 7 established by competent evidence. b. In all cases, the applicable reduction shall be 8 9 calculated as follows: 10 (1)if the preexisting impairment is the result of injury sustained while working for the employer 11 12 against whom workers' compensation benefits are 13 currently being sought, any award of compensation 14 shall be reduced by the current dollar value 15 attributable under the Administrative Workers' 16 Compensation Act to the percentage of permanent 17 partial disability determined to be preexisting. 18 The current dollar value shall be calculated by 19 multiplying the percentage of preexisting 20 permanent partial disability by the compensation 21 rate in effect on the date of the accident or 22 injury against which the reduction will be 23 applied, and

24

in all other cases, the employer against whom
 benefits are currently being sought shall be
 entitled to a credit for the percentage of
 preexisting permanent partial disability.
 7. <u>5.</u> No payments on any permanent partial disability order
 shall begin until payments on any preexisting permanent partial

7 disability orders have been completed.

8 8. 6. The whole body shall represent a maximum of three hundred
9 fifty (350) weeks.

10 9. 7. The permanent partial disability rate of compensation for 11 amputation or permanent total loss of use of a scheduled member 12 specified in Section 46 of this act title shall be seventy percent 13 (70%) of the employee's average weekly wage, not to exceed Three 14 Hundred Twenty-three Dollars (\$323.00) Three Hundred Ninety-one 15 Dollars (\$391.00), multiplied by the number of weeks set forth for 16 the member in Section 46 of this act title, regardless of whether 17 the injured employee is able to return to his or her pre-injury or 18 equivalent job.

19 10. 8. An injured employee who is eligible for permanent 20 partial disability under this subsection shall be entitled to 21 receive vocational rehabilitation services provided by a technology 22 center or public secondary school offering vocational-technical 23 education courses, or a member institution of The Oklahoma State 24 System of Higher Education, which shall include retraining and job

Req. No. 7593

1 placement to restore the employee to gainful employment. Vocational 2 rehabilitation services or training shall not extend for a period of 3 more than <del>fifty-two (52)</del> one hundred four (104) weeks.

4

D. Permanent Total Disability.

5 1. In case of total disability adjudged to be permanent, seventy percent (70%) of the employee's average weekly wages, but 6 7 not in excess of the state's average weekly wage, shall be paid to the employee during the continuance of the disability until such 8 9 time as the employee reaches the age of maximum Social Security 10 retirement benefits or for a period of fifteen (15) years, whichever 11 In the event the claimant dies of causes unrelated to is longer. 12 the injury or illness, benefits shall cease on the date of death. 13 Provided, however, any person entitled to revive the action shall 14 receive a one-time lump-sum payment equal to twenty-six (26) weeks 15 of weekly benefits for permanent total disability awarded the 16 claimant. If more than one person is entitled to revive the claim, 17 the lump-sum payment shall be evenly divided between or among such 18 In the event the Commission awards both permanent partial persons. 19 disability and permanent total disability benefits, the permanent 20 total disability award shall not be due until the permanent partial 21 disability award is paid in full. If otherwise qualified according 22 to the provisions of this act, permanent total disability benefits 23 may be awarded to an employee who has exhausted the maximum period

24

of temporary total disability even though the employee has not
 reached maximum medical improvement.

The Workers' Compensation Commission shall annually review 3 2. the status of any employee receiving benefits for permanent total 4 5 disability against the last employer. The Commission shall require the employee to annually file an affidavit under penalty of perjury 6 7 stating that he or she is not and has not been gainfully employed and is not capable of gainful employment. Failure to file such 8 9 affidavit shall result in suspension of benefits; provided, however, 10 reinstatement of benefits may occur after proper hearing before the 11 Commission.

E. 1. The Workers' Compensation Commission shall <u>may</u> hire or contract for a Vocational Rehabilitation Director to oversee the vocational rehabilitation program of the Commission.

15 2. The Vocational Rehabilitation Director shall help injured 16 workers return to the work force. If the injured employee is unable 17 to return to his or her pre-injury or equivalent position due to 18 permanent restrictions as determined by the treating physician, upon 19 the request of either party, the Vocational Rehabilitation Director 20 shall determine if it is appropriate for a claimant to receive 21 vocational rehabilitation training or services, and will oversee 22 such training. If appropriate, the Vocational Rehabilitation 23 Director shall issue administrative orders, including, but not 24 limited to, an order for a vocational rehabilitation evaluation for

Req. No. 7593

1	any injured employee unable to work for at least ninety (90) days.		
2	In addition, the Vocational Rehabilitation Director may assign		
3	injured workers to vocational rehabilitation counselors for		
4	coordination of recommended services. The cost of the services		
5	shall be paid by the employer. All administrative orders are		
6	subject to appeal to the full Commission.		
7	3. There shall be a presumption in favor of ordering vocational		
8	rehabilitation services or training for an eligible injured employee		
9	under the following circumstances:		
10	a. if the employee's occupation is truck driver or		
11	laborer and the medical condition is traumatic brain		
12	injury, stroke or uncontrolled vertigo,		
13	b. if the employee's occupation is truck driver or		
14	laborer performing high-risk tasks and the medical		
15	condition is seizures,		
16	c. if the employee's occupation is manual laborer and the		
17	medical condition is bilateral wrist fusions,		
18	d. if the employee's occupation is assembly-line worker		
19	and the medical condition is radial head fracture with		
20	surgical excision,		
21	e. if the employee's occupation is heavy laborer and the		
22	medical condition is myocardial infarction with		
23	congestive heart failure,		
24			

1	f	<u>-</u>	if the employee's occupation is heavy manual laborer
2			and the medical condition is multilevel neck or back
3			fusions greater than two levels,
4	ę	<del>].</del>	if the employee's occupation is laborer performing
5			overhead work and the medical condition is massive
6			rotator cuff tears, with or without surgery,
7	ł	<del>].</del>	if the employee's occupation is heavy laborer and the
8			medical condition is recurrent inguinal hernia
9			following unsuccessful surgical repair,
10	÷	<u> </u>	if the employee's occupation is heavy manual laborer
11			and the medical condition is total knee replacement or
12			total hip replacement,
13	j	<del>].</del>	if the employee's occupation is roofer and the medical
14			condition is calcaneal fracture, medically or
15			surgically treated,
16		<del>.</del>	if the employee's occupation is laborer of any kind
17			and the medical condition is total shoulder
18			replacement,
19		Ŀ	if the employee's occupation is laborer and the
20			medical condition is amputation of a hand, arm, leg,
21			<del>or foot,</del>
22	m	n.	if the employee's occupation is laborer and the
23			medical condition is tibial plateau fracture, pilon
24			fracture,

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

## 1 deducted from any award of benefits to the employee which remains 2 unpaid by the employer.

3. Upon receipt of such report, and after affording all parties 3 an opportunity to be heard, the administrative law judge shall order 4 5 that any rehabilitation services or training, recommended in the report, or such other rehabilitation services or training as the 6 7 administrative law judge may deem necessary, provided the employee elects to receive such services, shall be provided at the expense of 8 9 the employer. Except as otherwise provided in this subsection, 10 refusal to accept rehabilitation services by the employee shall in no way diminish any benefits allowable to an employee. 11

12 5. 4. The administrative law judge may order vocational 13 rehabilitation before the injured employee reaches maximum medical 14 improvement, if the treating physician believes that it is likely 15 that the employee's injury will prevent the employee from returning 16 to his or her former employment. In granting early benefits for 17 vocational rehabilitation, the Commission shall consider temporary 18 restrictions and the likelihood that such rehabilitation will return 19 the employee to gainful employment earlier than if such benefits are 20 granted after the permanent partial disability hearing in the claim. 21 6. 5. Vocational rehabilitation services or training shall not 22 extend for a period of more than fifty-two (52) weeks. A request

for vocational rehabilitation services or training shall be filed with the Commission by an interested party not later than sixty (60)

## Req. No. 7593

1 days from the date of receiving permanent restrictions that prevent 2 the injured employee from returning to his or her pre-injury or 3 equivalent position.

4 7. 6. If rehabilitation requires residence at or near the
5 facility or institution which is away from the employee's customary
6 residence, reasonable cost of the employee's board, lodging, travel,
7 tuition, books and necessary equipment in training shall be paid for
8 by the insurer in addition to weekly compensation benefits to which
9 the employee is otherwise entitled under the Administrative Workers'
10 Compensation Act.

11 8. 7. During the period when an employee is actively and in 12 good faith being evaluated or participating in a retraining or job 13 placement program for purposes of evaluating permanent total 14 disability status, the employee shall be entitled to receive 15 benefits at the same rate as the employee's temporary total 16 disability benefits for an additional fifty-two (52) weeks. All 17 tuition related to vocational rehabilitation services shall be paid 18 by the employer or the employer's insurer on a periodic basis 19 directly to the facility providing the vocational rehabilitation 20 services or training to the employee. The employer or employer's 21 insurer may deduct the amount paid for tuition from compensation 22 awarded to the employee.

23 F. Disfigurement.

24

Req. No. 7593

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).

5 2. No award for disfigurement shall be entered until twelve
6 (12) months after the injury <u>unless the treating physician deems the</u>
7 wound or incision to be fully healed.

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

G. Benefits for a single-event injury shall be determined by the law in effect at the time of injury. Benefits for a cumulative trauma injury or occupational disease or illness shall be determined by the law in effect at the time the employee knew or reasonably should have known that the injury, occupational disease or illness was related to work activity. Benefits for death shall be determined by the law in effect at the time of death.

18 SECTION 20. AMENDATORY Section 46, Chapter 208, O.S.L.
19 2013 (85A O.S. Supp. 2018, Section 46), is amended to read as
20 follows:

21 Section 46. A. An injured employee who is entitled to receive 22 permanent partial disability compensation under Section 45 of this 23 act <u>title</u> shall receive compensation for each part of the body in

24

1 accordance with the number of weeks for the scheduled loss set forth 2 below. 3 1. Arm amputated at the elbow, or between the elbow and shoulder, two hundred seventy-five (275) weeks; 4 5 2. Arm amputated between the elbow and wrist, two hundred twenty (220) weeks; 6 7 Leg amputated at the knee, or between the knee and the hip, 3. 8 two hundred seventy-five (275) weeks; 9 4. Leg amputated between the knee and the ankle, two hundred 10 twenty (220) weeks; 11 Hand amputated, two hundred twenty (220) weeks; 5. Thumb amputated, sixty-six (66) weeks; 12 6. 13 7. First finger amputated, thirty-nine (39) weeks; 14 Second finger amputated, thirty-three (33) weeks; 8. 15 9. Third finger amputated, twenty-two (22) weeks; 16 10. Fourth finger amputated, seventeen (17) weeks; 17 11. Foot amputated, two hundred twenty (220) weeks; 18 12. Great toe amputated, thirty-three (33) weeks; 19 13. Toe other than great toe amputated, eleven (11) weeks; 20 Eye enucleated, in which there was useful vision, two 14. 21 hundred seventy-five (275) weeks; 22 Loss of hearing of one ear, one hundred ten (110) weeks; 15. 23 16. Loss of hearing of both ears, three hundred thirty (330) 24 weeks; and

Req. No. 7593

1 17. Loss of one testicle, fifty-three (53) weeks; loss of both
 2 testicles, one hundred fifty-eight (158) weeks.

3 The permanent partial disability rate of compensation for Β. 4 amputation or permanent total loss of use of a scheduled member 5 specified in this section shall be seventy percent (70%) of the employee's average weekly wage, not to exceed Three Hundred Twenty-6 7 three Dollars (\$323.00) Three Hundred Ninety-one Dollars (\$391.00), multiplied by the number of weeks as set forth in this section, 8 9 regardless of whether or not the injured employee is able to return 10 to his or her pre-injury job.

11 C. Other cases: In cases in which the Workers' Compensation 12 Commission finds an injury to a part of the body not specifically 13 covered by the foregoing provisions of this section, the employee 14 may be entitled to compensation for permanent partial disability. 15 The compensation ordered paid shall be seventy percent (70%) of the 16 employee's average weekly wage, not to exceed Three Hundred Twenty-17 three Dollars (\$323.00) Three Hundred Ninety-one Dollars (\$391.00) 18 for the number of weeks which the partial disability of the employee 19 bears to three hundred fifty (350) weeks.

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

23 2. Compensation for amputation of more than one phalange of a
24 digit shall be the same as for amputation of the entire digit.

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

4 2. In all cases of permanent loss of vision, the use of
5 corrective lenses may be taken into consideration in evaluating the
6 extent of loss of vision.

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

12 G. Compensation for permanent total loss of use of a member13 shall be the same as for amputation of the member.

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

SECTION 21. AMENDATORY Section 50, Chapter 208, O.S.L. 2013 (85A O.S. Supp. 2018, Section 50), is amended to read as follows:

20 Section 50. A. The employer shall promptly provide an injured 21 employee with medical, surgical, hospital, optometric, podiatric, 22 and nursing services, along <del>any</del> with <u>any</u> medicine, crutches, 23 ambulatory devices, artificial limbs, eyeglasses, contact lenses, 24 hearing aids, and other apparatus as may be reasonably necessary in

Req. No. 7593

connection with the injury received by the employee. The employer
 shall have the right to choose the treating physician.

B. If the employer fails or neglects to provide medical treatment within five (5) days after actual knowledge is received of an injury, the injured employee may select a physician to provide medical treatment at the expense of the employer; provided, however, that the injured employee, or another in the employee's behalf, may obtain emergency treatment at the expense of the employer where such emergency treatment is not provided by the employer.

C. Diagnostic tests shall not be repeated sooner than six (6) months from the date of the test unless agreed to by the parties or ordered by the Commission for good cause shown.

13 Unless recommended by the treating doctor at the time D. 14 claimant reaches maximum medical improvement or by an independent 15 medical examiner, continuing medical maintenance shall not be 16 awarded by the Commission. The employer or insurance carrier shall 17 not be responsible for continuing medical maintenance or pain 18 management treatment that is outside the parameters established by 19 the Physician Advisory Committee or ODG. The employer or insurance 20 carrier shall not be responsible for continuing medical maintenance 21 or pain management treatment not previously ordered by the 22 Commission or approved in advance by the employer or insurance 23 carrier. An administrative law judge may order an employer to 24 provide detoxification treatment for employees who are prescribed

Req. No. 7593

1 opioids or other narcotics. If an employee refuses such

2 <u>detoxification treatment</u>, the administrative law judge may terminate 3 pain management after reasonable notice and hearing.

E. An employee claiming or entitled to benefits under this act, shall, if ordered by the Commission or requested by the employer or insurance carrier, submit himself or herself for medical

7 examination. If an employee refuses to submit himself or herself to 8 examination, his or her right to prosecute any proceeding under this 9 act shall be suspended, and no compensation shall be payable for the 10 period of such refusal.

F. For compensable injuries resulting in the use of a medical device, ongoing service for the medical device shall be provided in situations including, but not limited to, medical device battery replacement, ongoing medication refills related to the medical device, medical device repair, or medical device replacement.

16 The employer shall reimburse the employee for the actual G. 17 mileage in excess of twenty (20) miles round-trip to and from the 18 employee's home to the location of a medical service provider for 19 all reasonable and necessary treatment, for an evaluation of an 20 independent medical examiner and for any evaluation made at the 21 request of the employer or insurance carrier. The rate of 22 reimbursement for such travel expense shall be the official 23 reimbursement rate as established by the State Travel Reimbursement

Act. In no event shall the reimbursement of travel for medical
 treatment or evaluation exceed six hundred (600) miles round trip.
 H. Fee Schedule.

The Commission shall conduct a review of the Fee Schedule 4 1. 5 every two (2) years. The Fee Schedule shall establish the maximum rates that medical providers shall be reimbursed for medical care 6 7 provided to injured employees, including, but not limited to, charges by physicians, dentists, counselors, hospitals, ambulatory 8 9 and outpatient facilities, clinical laboratory services, diagnostic 10 testing services, and ambulance services, and charges for durable 11 medical equipment, prosthetics, orthotics, and supplies. The most 12 current Fee Schedule established by the Administrator of the 13 Workers' Compensation Court prior to the effective date of this 14 section shall remain in effect, unless or until the Legislature 15 approves the Commission's proposed Fee Schedule.

16 2. Reimbursement for medical care shall be prescribed and 17 limited by the Fee Schedule as adopted by the Commission, after 18 notice and public hearing, and after approval by the Legislature by 19 joint resolution. The director of the Employees Group Insurance 20 Division of the Office of Management and Enterprise Services shall 21 provide the Commission such information as may be relevant for the 22 development of the Fee Schedule. The Commission shall develop the 23 Fee Schedule in a manner in which quality of medical care is assured 24 and maintained for injured employees. The Commission shall give due

1 consideration to additional requirements for physicians treating an
2 injured worker under this act, including, but not limited to,
3 communication with claims representatives, case managers, attorneys,
4 and representatives of employers, and the additional time required
5 to complete forms for the Commission, insurance carriers, and
6 employers.

7 3. In making adjustments to the Fee Schedule, the Commission shall use, as a benchmark, the reimbursement rate for each Current 8 9 Procedural Terminology (CPT) code provided for in the fee schedule 10 published by the Centers for Medicare and Medicaid Services of the 11 U.S. Department of Health and Human Services for use in Oklahoma 12 (Medicare Fee Schedule) on the effective date of this section, 13 workers' compensation fee schedules employed by neighboring states, 14 the latest edition of "Relative Values for Physicians" (RVP), usual, 15 customary and reasonable medical payments to workers' compensation 16 health care providers in the same trade area for comparable 17 treatment of a person with similar injuries, and all other data the 18 Commission deems relevant. For services not valued by CMS, the 19 Commission shall establish values based on the usual, customary and 20 reasonable medical payments to health care providers in the same 21 trade area for comparable treatment of a person with similar 22 injuries.

23

a. No reimbursement shall be allowed for any magnetic resonance imaging (MRI) unless the MRI is provided by

1 an entity that meets Medicare requirements for the 2 payment of MRI services or is accredited by the 3 American College of Radiology, the Intersocietal Accreditation Commission or the Joint Commission on 4 5 Accreditation of Healthcare Organizations. For all other radiology procedures, the reimbursement rate 6 7 shall be the lesser of the reimbursement rate allowed by the 2010 Oklahoma Fee Schedule and two hundred 8 9 seven percent (207%) of the Medicare Fee Schedule. For reimbursement of medical services for Evaluation 10 b. 11 and Management of injured employees as defined in the 12 Fee Schedule adopted by the Commission, the 13 reimbursement rate shall not be less than one hundred 14 fifty percent (150%) of the Medicare Fee Schedule. 15 с. Any entity providing durable medical equipment, 16 prosthetics, orthotics or supplies shall be accredited 17 by a CMS-approved accreditation organization. If a 18 physician provides durable medical equipment, 19 prosthetics, orthotics, prescription drugs, or 20 supplies to a patient ancillary to the patient's 21 visit, reimbursement shall be no more than ten percent 22 (10%) above cost.

d. The Commission shall develop a reasonable stop-loss
 provision of the Fee Schedule to provide for adequate

Req. No. 7593

1 reimbursement for treatment for major burns, severe 2 head and neurological injuries, multiple system 3 injuries, and other catastrophic injuries requiring 4 extended periods of intensive care. An employer or 5 insurance carrier has the right to audit or question the reasonableness and necessity of medical treatment 6 7 contained in a bill for treatment covered by the stop-8 loss provision.

9 4. The right to recover charges for every type of medical care 10 for injuries arising out of and in the course of covered employment 11 as defined in this act shall lie solely with the Commission. When a 12 medical care provider has brought a claim to the Commission to 13 obtain payment for services, a party who prevails in full on the 14 claim shall be entitled to reasonable attorney fees.

15 5. Nothing in this section shall prevent an employer, insurance 16 carrier, group self-insurance association, or certified workplace 17 medical plan from contracting with a provider of medical care for a 18 reimbursement rate that is greater than or less than limits 19 established by the Fee Schedule.

6. A treating physician may not charge more than Four Hundred
Dollars (\$400.00) per hour for preparation for or testimony at a
deposition or appearance before the Commission in connection with a
claim covered by the Administrative Workers' Compensation Act.

24

7. The Commission's review of medical and treatment charges
 pursuant to this section shall be conducted pursuant to the Fee
 Schedule in existence at the time the medical care or treatment was
 provided. The judgment approving the medical and treatment charges
 pursuant to this section shall be enforceable by the Commission in
 the same manner as provided in this act for the enforcement of other
 compensation payments.

8 8. Charges for prescription drugs and compounded medications 9 dispensed by a pharmacy shall be limited to ninety percent (90%) of 10 the average wholesale price of the prescription, plus a dispensing 11 fee of Five Dollars (\$5.00) per prescription. "Average wholesale 12 price" means the amount determined from the latest publication 13 designated by the Commission one hundred twenty-five percent (125%) 14 of the reimbursement rate established by the Centers for Medicare 15 and Medicaid Services (CMS) for use in Oklahoma. Physicians shall 16 prescribe and pharmacies shall dispense generic equivalent drugs 17 when available. If the National Drug Code, or "NDC", for the drug 18 product dispensed is for a repackaged drug, then the maximum 19 reimbursement shall be the lesser of the original labeler's NDC and 20 the lowest-cost therapeutic equivalent drug product. Compounded 21 medications shall be billed by the compounding pharmacy at the 22 ingredient level, with each ingredient identified using the 23 applicable NDC of the drug product, and the corresponding quantity. 24 Ingredients with no NDC area are not separately reimbursable.

Payment shall be based on a sum of the allowable fee for each ingredient plus a dispensing fee of Five Dollars (\$5.00) per prescription.

9. When medical care includes prescription drugs dispensed by a 4 5 physician or other medical care provider and the NDC for the drug product dispensed is for a repackaged drug, then the maximum 6 7 reimbursement shall be the lesser of the original labeler's NDC and the lowest-cost therapeutic equivalent drug product A physician 8 9 shall not be allowed to dispense prescription drugs from his or her 10 office. Payment for compounded medications or repackaged drugs 11 shall be based upon a sum of the allowable fee for each ingredient 12 plus a dispensing fee of Five Dollars (\$5.00) per prescription. 13 Compounded medications shall be billed by the compounding pharmacy. 14 An employer or insurance carrier shall have the right to designate a 15 pharmacy to provide prescription medicines to injured employees. 16 Implantables are paid in addition to procedural 10. 17 reimbursement paid for medical or surgical services. A 18 manufacturer's invoice for the actual cost to a physician, hospital 19 or other entity of an implantable device shall be adjusted by the 20 physician, hospital or other entity to reflect, at the time 21 implanted, all applicable discounts, rebates, considerations and 22 product replacement programs and shall be provided to the payer by 23 the physician or hospital as a condition of payment for the 24 implantable device. If the physician, or an entity in which the

Req. No. 7593

1 physician has a financial interest other than an ownership interest of less than five percent (5%) in a publically traded company, 2 3 provides implantable devices, this relationship shall be disclosed 4 to patient, employer, insurance company, third-party commission, 5 certified workplace medical plan, case managers, and attorneys representing claimant and defendant. If the physician, or an entity 6 7 in which the physician has a financial interest other than an ownership interest of less than five percent (5%) in a publically 8 9 publicly traded company, buys and resells implantable devices to a 10 hospital or another physician, the markup shall be limited to ten 11 percent (10%) above cost.

12 Payment for medical care as required by this act shall be 11. 13 due within forty-five (45) days of the receipt by the employer or 14 insurance carrier of a complete and accurate invoice, unless the 15 employer or insurance carrier has a good-faith reason to request 16 additional information about such invoice. Thereafter, the 17 Commission may assess a penalty up to twenty-five percent (25%) for 18 any amount due under the Fee Schedule that remains unpaid on the 19 finding by the Commission that no good-faith reason existed for the 20 delay in payment. If the Commission finds a pattern of an employer 21 or insurance carrier willfully and knowingly delaying payments for 22 medical care, the Commission may assess a civil penalty of not more 23 than Five Thousand Dollars (\$5,000.00) per occurrence.

1 12. If an employee fails to appear for a scheduled appointment 2 with a physician, the employer or insurance company shall pay to the 3 physician a reasonable charge, to be determined by the Commission, 4 for the missed appointment. In the absence of a good-faith reason 5 for missing the appointment, the Commission shall order the employee 6 to reimburse the employer or insurance company for the charge.

7 Physicians providing treatment under this act shall 13. disclose under penalty of perjury to the Commission, on a form 8 9 prescribed by the Commission, any ownership or interest in any 10 health care facility, business, or diagnostic center that is not the 11 physician's primary place of business. The disclosure shall include 12 any employee leasing arrangement between the physician and any 13 health care facility that is not the physician's primary place of 14 business. A physician's failure to disclose as required by this 15 section shall be grounds for the Commission to disgualify the 16 physician from providing treatment under this act.

I. Formulary. The Commission by rule shall adopt a closed formulary. Rules adopted by the Commission shall allow an appeals process for claims in which a treating doctor determines and documents that a drug not included in the formulary is necessary to treat an injured employee's compensable injury. The Commission by rule shall require the use of generic pharmaceutical medications and clinically appropriate over-the-counter alternatives to prescription

1 medications unless otherwise specified by the prescribing doctor, in 2 accordance with applicable state law.

3 SECTION 22. AMENDATORY Section 53, Chapter 208, O.S.L.
4 2013 (85A O.S. Supp. 2018, Section 53), is amended to read as
5 follows:

6 Section 53. A. An injured employee claiming to be entitled to 7 benefits under this act shall submit to physical examination and 8 treatment by another qualified physician, designated or approved by 9 the Commission, as the Commission may require from time to time if 10 reasonable and necessary.

B. In cases where the Commission directs examination or treatment, proceedings shall be suspended, and no compensation shall be payable for any period during which the employee refuses to submit to examination and treatment or otherwise obstructs the examination or treatment.

16 C. Failure of the employee to obey a judgment of the Commission 17 for an examination or treatment for a period of one (1) month from 18 the date of the judgment shall bar the right of the claimant to 19 further temporary total disability compensation in respect to the 20 injury.

21 SECTION 23. NEW LAW A new section of law to be codified 22 in the Oklahoma Statutes as Section 54.1 of Title 85A, unless there 23 is created a duplication in numbering, reads as follows:

A. If a treating physician recommends a surgery that is subject
to choice, and does not involve medical urgency or emergency, the
Workers' Compensation Commission, upon request by the employer,
shall appoint an Independent Medical Examiner to determine the
reasonableness and necessity of such surgery.

B. The Commission shall either approve, deny or modify the
request for surgery within sixty (60) days of the receipt of the
report of the Independent Medical Examiner.

9 SECTION 24. AMENDATORY Section 56, Chapter 208, O.S.L. 10 2013 (85A O.S. Supp. 2018, Section 56), is amended to read as 11 follows:

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

B. If the employer is not covered by a certified workplace medical plan, the employer shall select the treating physician. The Commission on application of the employee shall order one change of treating physician. Upon the Commission's granting of the application, the <u>employer employee</u> shall provide a list of three

24

1 physicians from whom the employee employer may select the 2 replacement.

3 SECTION 25. AMENDATORY Section 57, Chapter 208, O.S.L.
4 2013 (85A O.S. Supp. 2018, Section 57), is amended to read as
5 follows:

6 Section 57. A. If an injured employee misses two or more
7 <u>consecutive</u> scheduled appointments for treatment <u>without a valid</u>
8 <u>reason</u>, he or she shall no longer be eligible to receive <u>temporary</u>
9 <u>total disability</u> benefits under this act <u>title</u>, <u>unless his or her</u>
10 absence was:

11 1. Caused by extraordinary circumstances beyond the employee's 12 control as determined by the Commission; or

13 2. The employee gave the employer at least two (2) hours prior 14 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.

18 SECTION 26. AMENDATORY Section 60, Chapter 208, O.S.L.
19 2013 (85A O.S. Supp. 2018, Section 60), is amended to read as
20 follows:

Section 60. The Physician Advisory Committee may recommend the adoption of a method or system to evaluate permanent disability that shall deviate from, or be used in place of or in combination with the Guides. Such recommendation shall be made to the Workers'

1 Compensation Commission which may adopt the recommendation in part 2 or in whole. The adopted method or system shall be submitted by the 3 Executive Director of the Commission to the Governor, the Speaker of 4 the House of Representatives and the President Pro Tempore of the 5 Senate within the first ten (10) legislative days of a regular session of the Legislature. Such method or system so submitted 6 7 shall be subject to disapproval by joint or concurrent resolution of the Legislature during the legislative session in which submitted. 8 9 If disapproved, the existing method of determining permanent partial 10 disability shall continue in effect. If the Legislature takes no 11 action on the method or system submitted by the Executive Director, 12 the method or system shall become operative thirty (30) days 13 following the adjournment of the Legislature.

14 SECTION 27. AMENDATORY Section 62, Chapter 208, O.S.L. 15 2013 (85A O.S. Supp. 2018, Section 62), is amended to read as 16 follows:

17 Section 62. A. Notwithstanding the provisions of Section 45 of 18 this act title, if an employee suffers a nonsurgical soft tissue 19 injury, temporary total disability compensation shall not exceed 20 eight (8) weeks, regardless of the number of parts of the body to 21 which there is a nonsurgical soft tissue injury. An employee who is 22 treated with an injection or injections shall be entitled to an 23 extension of an additional eight (8) weeks. For purposes of this 24 section, an injection shall not include facet injections or

Req. No. 7593

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

15 B. For purposes of this section, "soft tissue injury" means 16 damage to one or more of the tissues that surround bones and joints. 17 Soft tissue injury includes, but is not limited to, sprains, 18 strains, contusions, tendonitis and muscle tears. Cumulative trauma 19 is to be considered a soft tissue injury unless corrective surgery 20 is necessary. Soft Without limitation to this list, soft tissue 21 injury, for example, does not include any of the following: 22 Injury to or disease of the spine, spinal discs, spinal 1. 23 nerves or spinal cord, where corrective surgery is performed; 24 2. Brain or closed-head injury as evidenced by:

## Req. No. 7593

1	a. sensory or motor disturbances,		
2	b. communication disturbances,		
3	c. complex integrated disturbances of cerebral function,		
4	d. episodic neurological disorders, or		
5	e. other brain and closed-head injury conditions at least		
6	as severe in nature as any condition provided in		
7	subparagraphs a through d of this paragraph; <del>or</del>		
8	3. Any joint replacement <u>; or</u>		
9	4. Heat, electrical, radiation, friction or chemical burns.		
10	SECTION 28. AMENDATORY Section 63, Chapter 208, O.S.L.		
11	2013 (85A O.S. Supp. 2018, Section 63), is amended to read as		
12	follows:		
13	Section 63. A. Within ten (10) days after the date of receipt		
14	of notice or of knowledge of injury or death, the employer shall		
15	send to the <u>Workers' Compensation</u> Commission a report setting forth:		
16	1. The name, address, and business of the employer;		
17	2. The name, address, and occupation of the employee;		
18	3. The cause and nature of the injury or death;		
19	4. The year, month, day, approximately when, and the particular		
20	locality where, the injury or death occurred; and		
21	5. Such other information as the Commission may require.		
22	B. Additional reports with respect to the injury and of the		
23	condition of the employee shall be sent by the employer to the		
24	Commission at such time and in such manner as the Commission may		

Req. No. 7593

prescribe. However, an employer may refuse to provide any
 information that it deems privileged or confidential.

C. Any report provided for in subsection A or B of this section 3 4 shall not be evidence of any fact stated in the report in any 5 proceeding with respect to the injury or death on account of which the report is made. Any such report shall be kept confidential and 6 7 shall not be open to public inspection; provided, any such report shall be made available immediately upon request by the injured 8 9 employee named in the report, the injured employee's legal 10 representative, the employer, the employer's legal representative or 11 any prosecutorial authority, and at such time as an employee's first 12 notice of claim for compensation shall be filed.

D. The mailing of any report in a stamped envelope, properly addressed, within the time prescribed in subsection A or B of this section, shall be in compliance with this section. In addition, the Commission shall establish a means of electronic delivery of any report or other information required by this section.

E. 1. Any employer who after notice refuses to send any report required by this section shall be subject to a civil penalty in an amount of Five Hundred Dollars (\$500.00) for each refusal.

21 2. Whenever the employer has failed or refused to comply as 22 provided in this section, the Commission may serve on the employer a 23 proposed judgment declaring the employer to be in violation of this

act and containing the amount, if any, of the civil penalty to be
 assessed against the employer under this section.

F. An employer may contest a proposed judgment of the 3 4 Commission issued under subsection E of this section by filing with 5 the Commission, within twenty (20) days of receipt of the proposed judgment, a written request for a hearing. If a written request for 6 7 hearing is not filed with the Commission within this time, the proposed judgment, proposed penalty, or both, shall be a final 8 9 judgment of the Commission. The request for a hearing does not need 10 to be in any particular form but shall specify the grounds on which 11 the person contests the proposed judgment, the proposed assessment, 12 or both. A proposed judgment by the Commission under this section 13 shall be prima facie correct, and the burden is on the employer to 14 prove that the proposed judgment is incorrect.

G. Hearings conducted under this section shall proceed as
provided in Sections 69 through 78 of this act title.

17 н. If an employer fails to pay any civil penalty assessed 18 against the employer after a judgment issued under this section has 19 become final by operation of law, the Commission may petition the 20 district court of the county where the employer's principal place of 21 business is located for an order enjoining the employer from 22 engaging in further employment or conduct of business until such 23 time as the employer makes all required reports and pays all civil 24 penalties.

Req. No. 7593

SECTION 29. AMENDATORY Section 65, Chapter 208, O.S.L.
 2013, as amended by Section 3, Chapter 390, O.S.L. 2015 (85A O.S.
 Supp. 2018, Section 65), is amended to read as follows:

Section 65. A. If an employee suffers from an occupational disease as defined in this section and is disabled or dies as a result of the disease, the employee, or, in case of death, his or her dependents, shall be entitled to compensation as if the disability or death were caused by injury arising out of work activities within the scope of employment, except as otherwise 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.

C. 1. If an occupational disease is aggravated by any other disease or infirmity, not itself compensable, or if disability or death from any other cause, not itself compensable, is aggravated, prolonged, accelerated, or in any way contributed to by an occupational disease, the compensation payable shall be reduced and limited to the proportion only of the compensation that would be payable if the occupational disease were the major cause of the

24

disability or death as the occupational disease, as a causative
 factor, bears to all the causes of the disability or death.

2. 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.

7 "Occupational disease", as used in this act, unless the D. 1. context otherwise requires, means any disease that results in 8 9 disability or death and arises out of and in the course of the 10 occupation or employment of the employee or naturally follows or 11 unavoidably results from an injury as that term is defined in this 12 act. A causal connection between the occupation or employment and 13 the occupational disease shall be established by a preponderance of 14 the evidence.

15 2. No compensation shall be payable for any contagious or 16 infectious disease unless contracted in the course and scope of 17 employment.

18 3. No compensation shall be payable for any ordinary disease of19 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.

Req. No. 7593

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

5 F. 1. An employer shall not be liable for any compensation for
6 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,
- 14b.disablement or death results within three (3) years in15case of silicosis or asbestosis, or one (1) year in16case of any other occupational disease, except a17diseased condition caused by exposure to X-rays,18radioactive substances, or ionizing radiation, after19the last injurious exposure to the disease in the20employment, or
- 21 c. in case of death, death follows continuous disability 22 from the disease, commencing within the period, for 23 which compensation has been paid or awarded or timely 24 claim made as provided in subparagraph b of this

1 paragraph and results within seven (7) years after the 2 last exposure. 3 2. However, in case of a diseased condition caused by exposure 4 to X-rays, radioactive substances, or ionizing radiation only, the 5 limitations expressed do not apply. 6 SECTION 30. AMENDATORY Section 66, Chapter 208, O.S.L. 7 2013 (85A O.S. Supp. 2018, Section 66), is amended to read as 8 follows: 9 Section 66. A. As used in this act, unless the context 10 otherwise requires: "Asbestosis" means the characteristic fibrotic condition of 11 1. 12 the lungs caused by the inhalation of asbestos dust; and "Silicosis" means the characteristic fibrotic condition of 13 2. 14 the lungs caused by the inhalation of silica dust. 15 In the absence of conclusive a preponderance of the evidence в. 16 in favor of the claim, disability or death from silicosis or 17 asbestosis shall be presumed not to be due to the nature of any 18 occupation within the provision of this section unless during the 19 ten (10) years immediately preceding the date of disablement the 20 employee has been exposed to the inhalation of silica dust or 21 asbestos dust over a period of not less than five (5) years, two (2) 22 years of which shall have been in this state, under a contract of 23 employment performed in this state. However, if the employee has 24 been employed by the same employer during the entire five-year

Req. No. 7593

period, his or her right to compensation against the employer shall not be affected by the fact that he or she had been employed during any part of the period outside of this state.

C. Except as otherwise provided in this section, compensation
for disability from uncomplicated silicosis or asbestosis shall be
payable in accordance with the provisions of Sections 45 and 48 of
this act title.

D. 1. In case of disability or death from silicosis or
asbestosis complicated with tuberculosis of the lungs, compensation
shall be payable as for uncomplicated silicosis or asbestosis,
provided that the silicosis or asbestosis was an essential factor in
the causing of disability or death.

13 2. In case of disability or death from silicosis or asbestosis 14 complicated with any other disease, or from any other disease 15 complicated with silicosis or asbestosis, the compensation shall be 16 reduced as provided in subsection C of Section 65 of this act title. 17 E. 1. When an employee, though not actually disabled, is found 18 by the Commission to be affected by silicosis or asbestosis to such 19 a degree as to make it unduly hazardous for him or her to continue 20 in an employment involving exposure to the hazards of the disease, 21 the Commission may order that he or she be removed from his or her 22 employment. In such a case, or in case he or she has already been 23 discharged from the employment and is unemployed, he or she shall be 24 entitled to compensation until he or she can obtain steady

1 employment in some other suitable occupation in which there are no 2 hazards of the disease.

3 2. When in any case the forced change of employment shall, in the opinion of the Commission, require that the employee be given 4 5 special training in order to qualify him or her for another 6 occupation, the employer liable for compensation shall pay for the 7 vocational rehabilitation and training provided for in this act. AMENDATORY 8 SECTION 31. Section 67, Chapter 208, O.S.L. 9 2013 (85A O.S. Supp. 2018, Section 67), is amended to read as 10 follows:

Section 67. A. 1. Except as otherwise provided in this section, notice of disability resulting from an occupational disease or cumulative trauma shall be the same as in cases of accidental injury.

15  $\frac{2}{2}$ . B. Written notice shall be given to the employer of an 16 occupational disease or cumulative trauma by the employee, or a 17 representative of the employee in the case of incapacity or death, 18 within six (6) months after the first distinct manifestation of the 19 disease or cumulative trauma or within six (6) months after death. 20 B. An award or denial of award of compensation for an 21 occupational disease or cumulative trauma may be reviewed and 22 compensation increased, reduced, or terminated where previously 23 awarded, or awarded where previously denied, only on proof of fraud 24 or undue influence or of change of condition, and then only on

Req. No. 7593

1 application by a party in interest made not later than one (1) year 2 after the denial of award or, where compensation has been awarded, 3 after the award or the date when the last payment was made under the 4 award, except in cases of silicosis or asbestosis, where the statute 5 of limitations shall be two (2) years. 6 SECTION 32. AMENDATORY Section 69, Chapter 208, O.S.L. 7 2013 (85A O.S. Supp. 2018, Section 69), is amended to read as 8 follows: 9 Section 69. A. Time for Filing. 1. A claim for benefits under this act, other than an 10 11 occupational disease, shall be barred unless it is filed with the 12 Workers' Compensation Commission within one (1) year from the date 13 of the injury. If during the one-year period following the filing 14 of the claim the employee receives no weekly benefit compensation 15 and receives no medical treatment resulting from the alleged injury, 16 the claim shall be barred thereafter. When a claim for compensation 17 has been filed, unless the employee shall in good faith request a 18 hearing for benefits, with competent medical evidence to support the 19 request, within one (1) year from the date of the filing thereof, or 20 within one (1) year from the date of last payment of compensation or 21 wages in lieu thereof, or the date of the last authorized medical 22 appointment attended by the employee, the claim shall be dismissed 23 with prejudice for want of prosecution. For purposes of this

24 section, the date of the injury shall be defined as the date an

injury is caused by an accident as set forth in paragraph 9 of
 Section 2 of this act title.

- 2. a. A claim for compensation for disability on account of
  injury which is either an occupational disease or
  occupational infection shall be barred unless filed
  with the Commission within two (2) years from the date
  of the last injurious exposure to the hazards of the
  disease or infection.
- 9 b. A claim for compensation for disability on account of 10 silicosis or asbestosis shall be filed with the 11 Commission within one (1) year after the time of disablement, and the disablement shall occur within 12 13 three (3) years from the date of the last injurious 14 exposure to the hazard of silicosis or asbestosis. 15 A claim for compensation for disability on account of с. 16 a disease condition caused by exposure to X-rays, 17 radioactive substances, or ionizing radiation only 18 shall be filed with the Commission within two (2) 19 years from the date the condition is made known to an 20 employee following examination and diagnosis by a 21 medical doctor.

3. A claim for compensation on account of death shall be barred unless filed with the Commission within two (2) years of the date of such a death.

4. If within six (6) months one (1) year after the filing of a
 <u>controverted</u> claim for compensation no bona fide request for a
 hearing has been made with respect to the claim, the claim may, on
 motion and after hearing, be dismissed with without prejudice.

B. Time for Filing Additional Compensation.

In cases in which any compensation, including disability or
medical, has been paid on account of injury, a claim for additional
compensation shall be barred unless filed with the Commission within
one (1) year from the date of the last payment of disability
compensation or two (2) years from the date of the injury, whichever
is greater.

12 The statute of limitations provided in this subsection shall 2. 13 not apply to claims for the replacement of medicine, crutches, 14 ambulatory devices, artificial limbs, eyeglasses, contact lenses, 15 hearing aids, and other apparatus permanently or indefinitely 16 required as the result of a compensable injury, when the employer or 17 carrier previously furnished such medical supplies, but replacement 18 of such items shall not constitute payment of compensation so as to 19 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 not specifically request additional benefits shall not be considered a claim for additional compensation.

24

D. If within six (6) months one (1) year 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.

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

12 E

F. Persons under Disability.

13 1. Notwithstanding any statute of limitation provided for in 14 this act, when it is established that failure to file a claim by an 15 injured employee or his or her dependents was induced by fraud, the 16 claim may be filed within one (1) year from the time of the 17 discovery of the fraud.

2. Subsections A and B of this section shall not apply to a mental incompetent or minor so long as the person has no guardian or similar legal representative. The limitations prescribed in subsections A and B of this section shall apply to the mental incompetent or minor from the date of the appointment of a guardian or similar legal representative for that person, and when no

24

1 guardian or similar representative has been appointed, to a minor on 2 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.

7 SECTION 33. AMENDATORY Section 71, Chapter 208, O.S.L.
8 2013 (85A O.S. Supp. 2018, Section 71), is amended to read as
9 follows:

10 Section 71. A. Notice. Within ten (10) days after a claim for 11 compensation has been filed, the <u>Workers' Compensation</u> Commission 12 shall notify the employer and any other interested person of the 13 filing of the claim.

14 B. Investigation - Hearing.

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

18 2. An application for a hearing shall clearly set forth the 19 specific issues of fact or law in controversy and the contentions of 20 the party applying for the hearing.

3. If any party is not represented by a lawyer, the
administrative law judge shall define the issues to be heard.

4. If a hearing on the claim is ordered, the administrative law
judge shall give the claimant and other interested parties ten (10)

Req. No. 7593

1 days' notice of the hearing served personally on the claimant and 2 other parties, or by registered mail, facsimile, electronic mail or 3 <u>by other electronic means with receipt of confirmation</u>. The hearing 4 <del>shall may</del> be held in <del>Tulsa or Oklahoma County</del> <u>any county of this</u> 5 state, as determined by the Commission.

5. The award, together with the statement of the findings of
fact and other matters pertinent to the issues, shall be filed with
the record of the proceedings, and a copy of the award shall
immediately be sent to the parties in or to counsels of record, if
any.

11 C. Evidence and Construction.

12 At the hearing the claimant and the employer may each 1. a. 13 present evidence relating to the claim. Evidence may 14 be presented by any person authorized in writing for 15 such purpose. The evidence may include verified 16 medical reports which shall be accorded such weight as 17 may be warranted when considering all evidence in the 18 case.

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

22 2. When deciding any issue, administrative law judges and the
23 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 3. Administrative law judges, the Commission, and any reviewing4 courts shall strictly construe the provisions of this act.

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

9 D. Judgment. The judgment denying the claim or making the
10 award shall be filed in the office of the Commission, and a copy
11 shall be sent by registered mail, facsimile, electronic mail or by
12 <u>other means with receipt of confirmation</u> to the claimant and to the
13 employer or to their attorneys.

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

SECTION 34. AMENDATORY Section 78, Chapter 208, O.S.L. 20 2013 (85A O.S. Supp. 2018, Section 78), is amended to read as 21 follows:

Section 78. A. Any party feeling aggrieved by the judgment, decision, or award made by the administrative law judge may, within ten (10) days of issuance, appeal to the Workers' Compensation

Req. No. 7593

Commission. After hearing arguments, the Commission may reverse or modify the decision only if it determines that the decision was against the clear weight of the evidence or contrary to law. All such proceedings of the Commission shall be recorded by a court reporter, if requested by any party. Any judgment of the Commission which reverses a decision of the administrative law judge shall contain specific findings relating to the reversal.

B. The appellant shall pay a filing fee of One Hundred Seventy9 five Dollars (\$175.00) to the Commission at the time of filing his
10 or her appeal. The fee shall be deposited in to the credit of the
11 Workers' Compensation Commission Revolving Fund.

12 C. The judgment, decision or award of the Commission shall be 13 final and conclusive on all questions within its jurisdiction 14 between the parties unless an action is commenced in the Supreme 15 Court of this state to review the judgment, decision or award within 16 twenty (20) days of being sent to the parties. Any judgment, 17 decision or award made by an administrative law judge shall be 18 stayed until all appeal rights have been waived or exhausted. The 19 Supreme Court may modify, reverse, remand for rehearing, or set 20 aside the judgment or award only if it was:

21 1. In violation of constitutional provisions;

22 2. In excess of the statutory authority or jurisdiction of the23 Commission;

24 3. Made on unlawful procedure;

## Req. No. 7593

1

4

4. Affected by other error of law;

Clearly erroneous in view of the reliable, material,
 probative and substantial competent evidence;

6. Arbitrary or capricious;

5 7. Procured by fraud; or

6 8. Missing findings of fact on issues essential to the7 decision.

This action shall be commenced by filing with the Clerk of the 8 9 Supreme Court a certified copy of the judgment, decision or award of 10 the Commission attached to the petition by the complaint which shall 11 specify why the judgment, decision or award is erroneous or illegal. 12 The proceedings shall be heard in a summary manner and shall have 13 precedence over all other civil cases in the Supreme Court, except 14 preferred Corporation Commission appeals. The Supreme Court shall 15 require the appealing party to file within forty-five (45) days from 16 the date of the filing of an appeal or a judgment appealed from, a 17 transcript of the record of the proceedings before the Commission, 18 or such later time as may be granted by the Supreme Court on 19 application and for good cause shown. The action shall be subject 20 to the law and practice applicable to other civil actions cognizable 21 in the Supreme Court.

D. A fee of One Hundred Dollars (\$100.00) per appeal to the Supreme Court shall be paid to the Commission and deposited in to the credit of the Workers' Compensation Commission Revolving Fund as

1 costs for preparing, assembling, indexing and transmitting the 2 record for appellate review. This fee shall be paid by the party 3 taking the appeal. If more than one party to the action files an 4 appeal from the same judgment, decision or award, the fee shall be 5 paid by the party whose petition in error commences the principal 6 appeal.

7 E. During the pendency of an appeal filed by an employer or the employer's insurance carrier pursuant to this section, payment for 8 9 any prescription drugs prescribed by the treating physician shall be 10 continued. If payment for prescription drugs is an issue on appeal, 11 and the employer is held not to be liable for payment for the 12 prescription drugs, the employee shall reimburse the employer or the 13 employer's insurance carrier for the cost of prescriptions filled 14 during the time of the appeals process.

SECTION 35. AMENDATORY Section 80, Chapter 208, O.S.L. 2013 (85A O.S. Supp. 2018, Section 80), is amended to read as follows:

Section 80. A. Except where a joint petition settlement has been approved, the <u>Workers' Compensation</u> Commission may <u>reopen for</u> review any compensation judgment, award, or decision. Such review <u>based on a change of physical condition</u> may be done at any time within six (6) months <del>of termination of the compensation period</del> <del>fixed in the original compensation judgment or award from the date</del> of the last order in which monetary benefits were awarded or active

Req. No. 7593

1 medical treatment was provided, on the Commission's own motion or on the application of any party in interest, on the ground of a change 2 3 in physical condition or on proof of erroneous wage rate and unless 4 filed within such period of time shall be forever barred. A change 5 of condition shall be proved with objective findings, as defined in paragraph 31 of Section 2 of this title. On review, the Commission 6 7 may make a judgment or award terminating, continuing, decreasing, or increasing for the future the compensation previously awarded, 8 9 subject to the maximum limits provided for in this act. An order 10 denying an application to reopen a claim shall not extend the period 11 of time set out in this title for reopening the case. A failure to 12 comply with a medical treatment plan ordered by the Commission shall 13 bar the reopening of a claim.

B. The review and subsequent judgment or award shall be made in accordance with the procedure prescribed in Sections 69 through 78 of this act <u>title</u>. No review shall affect any compensation paid under a prior order, judgment or award.

18 C. The Commission may correct any clerical error in any 19 compensation judgment or award within one (1) year from the date of 20 its issuance.

D. Aging and the effects of aging on a compensable injury are not to be considered in determining whether there has been a change in physical condition. Aging or the effect of aging on a

1 compensable injury shall not be considered in determining permanent 2 disability under this section or any other section in this act. SECTION 36. 3 AMENDATORY Section 82, Chapter 208, O.S.L. 4 2013 (85A O.S. Supp. 2018, Section 82), is amended to read as 5 follows: 6 Section 82. 7 Each party shall be responsible for its legal services A. 1. a. and litigation expenses. Fees for legal services 8 9 rendered in a claim shall not be valid unless approved 10 may be reviewed by the Workers' Compensation 11 Commission. 12 An attorney representing an injured employee may only b. 13 recover attorney fees up to ten percent (10%) of any 14 temporary total disability or temporary partial 15 disability compensation and twenty percent (20%) of 16 any permanent partial disability, permanent total 17 disability, or death compensation awarded to an 18 injured employee by the Commission from a controverted 19 claim. If the employer makes a written offer to 20 settle permanent partial disability, permanent total 21 disability, or death compensation and that offer is 22 rejected, the employee's attorney may not recover 23 attorney fees in excess of thirty percent (30%) of the

difference between the amount of any award and the settlement offer.

- Attorney fees may not be collected for recovery on noncontroverted claims.
  - (2) Attorney fees shall not be awarded on medical benefits or services.
- 7 (3) The fee for legal services rendered by an
  8 attorney representing an employee in connection
  9 with a change of physician requested by the
  10 injured employee, controverted by the employer,
  11 and awarded by the Commission, shall be Two
  12 Hundred Dollars (\$200.00).
- 13 (4) Attorney fees may include not more than ten
  14 percent (10%) of the value, or reasonable
  15 estimate thereof, of vocational rehabilitation
  16 services.

17 A "controverted claim" means that there has been a с. 18 contested hearing before the Commission over the 19 employer or the employer's insurance carrier has 20 controverted whether there has been a compensable 21 injury or whether the employee is entitled to 22 temporary total disability, temporary partial 23 disability, permanent partial disability, permanent 24 total disability, or death compensation. A request

1

2

3

4

5

1 for a change in physician shall not trigger a 2 controverted claim for purposes of recovering any attorney fees except the fees under division 3 of 3 subparagraph b of this paragraph. A controverted 4 5 claim shall not exist if the employee or his or her representative has withheld pertinent information in 6 7 his or her possession related to the claim from the employer or has violated the provisions of Section 6 8 9 of this act title.

10 2. 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.

17 3. In any case where attorney fees are allowed by the
18 Commission, the limitations expressed in subparagraph b of paragraph
19 1 of this subsection shall apply.

20 <u>4. 3.</u> Medical providers may voluntarily contract with the 21 attorney for the employee to recover disputed charges, and the 22 provider <u>attorney</u> may charge a reasonable fee for the cost of 23 collection.

B. An attorney representing an employee under this act may not
 recover fees for services except as expressly provided in this
 section or for good cause shown.

SECTION 37. AMENDATORY Section 86, Chapter 208, O.S.L.
2013 (85A O.S. Supp. 2018, Section 86), is amended to read as
follows:

7 Section 86. A. 1. Each employer desiring to controvert an employee's right to compensation shall may file with the Workers' 8 9 Compensation Commission on or before the fifteenth day following 10 notice of the alleged injury or death a statement on a form 11 prescribed by the Commission that the right to compensation is 12 controverted and the grounds for the controversion, the names of the 13 claimant, employer, and carrier, if any, and the date and place of 14 the alleged injury or death.

15 2. Failure to file the statement of controversion shall not 16 preclude the employer's ability to controvert the claim or cause it 17 to waive any defenses. The employer can make additional defenses 18 not included in the initial notice at any time.

B. If an employer is unable to obtain sufficient medical information as to the alleged injury or death within fifteen (15) days following receipt of notice, although the employer has acted in good faith and with all due diligence, the employer may apply in writing for an extension of time for making payment of the first installment or controverting the claim. This written application is

## Req. No. 7593

1 to be postmarked within the fifteen-day period. The Commission may,
2 in its discretion, grant the extension and fix the additional time
3 to be allowed. Filing of application for an extension shall not be
4 deemed to be a controversion of the claim.

5 C. The provisions in subsection B of this section shall not 6 apply in cases where the physician is an employee of, on retainer 7 with, or has a written contract to provide medical services for the 8 employer.

9 SECTION 38. AMENDATORY Section 87, Chapter 208, O.S.L. 10 2013 (85A O.S. Supp. 2018, Section 87), is amended to read as 11 follows:

Section 87. If the employer or carrier and the injured employee desire to settle the claim, they shall file a joint petition for settlement with the <u>Workers' Compensation</u> Commission. After the joint petition has been filed, the Commission shall order that all <u>workers' compensation</u> claims between the parties <u>covered by the</u> <u>joint petition</u> have been settled. No appeal shall lie from a judgment or award denying a joint petition.

SECTION 39. AMENDATORY Section 90, Chapter 208, O.S.L. 20 2013 (85A O.S. Supp. 2018, Section 90), is amended to read as 21 follows:

Section 90. <u>A.</u> The Workers' Compensation Commission may require any employer to make a deposit or bond with the Commission 24

Req. No. 7593

1 to secure the prompt and convenient payment of compensation, and 2 payments shall be made on judgment of the Commission.

3 B. No proceeding to reverse, vacate or modify any order, 4 decision or award of the Commission en banc or administrative law 5 judge of the Commission wherein compensation has been awarded to an 6 injured employee shall be entertained by the Supreme Court unless 7 the Executive Director of the Commission shall take a written 8 undertaking to the claimant executed on the part of the respondent 9 or insurance carrier, or both the respondent and insurance carrier, 10 with one or more sureties to be approved by the Executive Director, 11 to the effect that the appellant shall pay the amount of the award 12 rendered therein, together with interest thereon from the date of 13 the award by the administrative law judge of the Commission and all 14 costs of the proceeding, or on the further order of the Commission 15 en banc or administrative law judge of the Commission after the 16 appeal has been decided by the Supreme Court. Municipalities and 17 other political subdivisions of this state are exempt from making 18 such written undertakings.

SECTION 40. AMENDATORY Section 94, Chapter 208, O.S.L. 20 2013 (85A O.S. Supp. 2018, Section 94), is amended to read as 21 follows:

Section 94. An employee who is incarcerated shall not be eligible to receive medical or temporary total disability benefits under this act title.

Req. No. 7593

SECTION 41. AMENDATORY Section 101, Chapter 208, O.S.L.
 2013 (85A O.S. Supp. 2018, Section 101), is amended to read as
 follows:

Section 101. A. On or before the first day of July each year, 4 5 the Workers' Compensation Commission shall prepare, make public and submit a report for the prior calendar year to the Governor, the 6 7 President Pro Tempore of the Senate, the Speaker of the House of Representatives, and each member of the Legislature, containing a 8 9 statement of the number of awards made and the causes of the 10 accidents leading to the injuries for which the awards were made, 11 total work load data of the administrative law judges, including a 12 detailed report of the work load and judgments written by each 13 judge, a detailed statement of the expenses of the Commission, 14 together with any other matter which the Commission deems proper to 15 report.

B. After public hearing and consultation with representatives
of employers, insurance carriers, and employees, the Commission
shall implement, with the assistance of the Insurance Commissioner,
by July 1, 2014, an electronic data interchange (EDI) system that
provides relevant data concerning the Oklahoma workers' compensation
system and the delivery of benefits to injured workers <u>on a time</u>
<u>frame to be reasonably determined by the Commission</u>.

C. To assist the Commission in developing and implementing the
 EDI system, there is hereby created the Oklahoma Workers'

Req. No. 7593

Compensation Electronic Data Interchange Advisory Committee. Within thirty (30) days of the effective date of this act, the <u>The</u> Governor shall appoint five persons to serve as members of the advisory committee, one of whom shall be selected by the Governor as chair. The chair shall provide adequate notice of meetings of the advisory committee and public hearings as required by law.

SECTION 42. AMENDATORY Section 152, Chapter 208, O.S.L. 2013 (85A O.S. Supp. 2018, Section 109), is amended to read as follows:

10 Section 109. A. The Workers' Compensation Commission shall 11 establish a workers' compensation counselor or ombudsman program to 12 assist injured workers, employers and persons claiming death 13 benefits in obtaining benefits under this act. A special effort 14 shall be made to equip counselors or ombudsmen with sufficient 15 resources to assist injured workers through the system without the 16 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.

1 C. The Commission shall mail a notice to the injured worker 2 within ten (10) days of the filing of an Employer's First Notice of 3 Injury. The notice shall advise the injured worker of publish on 4 the Commission's website the availability of the services of the 5 Commission's counselor or ombudsman program and of the availability of mediation and other forms of alternative dispute resolution to 6 7 assist the injured worker. The Commission shall provide additional information as the Commission may determine necessary. 8

9 D. The Commission shall develop a program that provides for 10 annual training for own-risk employers and claims representatives 11 handling workers' compensation claims in Oklahoma. The training 12 shall include information about the alternative dispute resolution 13 program, including counselor and ombudsman programs, mediation, and 14 other services provided by the Commission.

SECTION 43. AMENDATORY Section 158, Chapter 208, O.S.L. 2013 (85A O.S. Supp. 2018, Section 115), is amended to read as follows:

Section 115. A. If the employee and employer shall reach an agreement for the full, final and complete settlement of any issue of a claim pursuant to this act, a form designated as "Joint Petition" shall be signed by both the employer and employee, or representatives thereof, and shall be approved by the Workers' Compensation Commission or an administrative law judge, and filed with the Workers' Compensation Commission. In cases in which the

Req. No. 7593

employee is not represented by legal counsel, the Commission or an administrative law judge shall have jurisdiction to approve a full, final and complete settlement of any issue upon the filing of an Employer's First Notice of Injury. There shall be no requirement for the filing of an Employee's First Notice of Claim for Compensation to effect such settlement in cases in which the 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 form created for such purpose by the Commission. The appendix must be signed by the parties and approved by the Commission as set forth herein.

C. In the absence of fraud, a Joint Petition shall be deemed binding upon the parties thereto and a final adjudication of all rights pursuant to this act <u>title</u> or the workers' compensation law in effect at the time of the injury or final order of the Workers' Compensation <del>Court Commission</del>. An official record shall be made by an official Commission reporter of the testimony taken to effect the Joint Petition.

D. A good-faith effort shall be made on the part of any
insurance carrier, CompSource Oklahoma, or group self-insured plan
to notify an insured employer of the possibility of and terms of any

## Req. No. 7593

settlement of a workers' compensation case pursuant to this section.
Written comments or objections to settlements shall be filed with
the Commission and periodically shared with the management of the
applicable insurer. A written notice shall be made to all
policyholders of their right to a good-faith effort by their insurer
to notify them of any proposed settlement, if the policyholder so
chooses.

E. If an employee has not filed a claim for compensation and 8 9 the employer and the injured employee reach a final agreement as to 10 the facts with relation to an injury and the resulting disability 11 for which compensation is claimed under the Administrative Workers' 12 Compensation Act, a memorandum of such agreement in a form 13 prescribed by the Commission shall be filed with the Commission by 14 the employer. The memorandum shall be signed by both the employer 15 and the employee and approved by an administrative law judge of the 16 Commission. 17 SECTION 44. AMENDATORY Section 161, Chapter 208, O.S.L. 18 2013 (85A O.S. Supp. 2018, Section 118), is amended to read as 19 follows: 20 Section 118. A. A filing fee of One Hundred Forty Dollars 21 (\$140.00) per case, including any Joint Petition, medical fee 22 dispute, claim for discrimination or retaliation, or claim for 23 benefits under the Multiple Injury Trust Fund authorized by this act 24 title, shall be collected from the filer by the Workers'

Req. No. 7593

Compensation Commission and. In the event any award becomes final against an employer, such amount shall be assessed as costs against the employer to be paid by the party against whom any award becomes final, to be to the injured employee. The filing fee shall be deposited as follows:

6 1. One Hundred Five Dollars (\$105.00) to the credit of the
7 Workers' Compensation <u>Commission Revolving</u> Fund created by this act;
8 2. Ten Dollars (\$10.00) to the credit of the Attorney General's
9 Workers' Compensation Fraud Unit Revolving Fund created by Section
10 19.2 of Title 74 of the Oklahoma Statutes; and

11 3. Twenty-five Dollars (\$25.00) to the credit of the Workers' 12 Compensation <u>Commission Revolving</u> Fund for purposes of implementing 13 the provisions of this <del>act</del> <u>title</u>, including strengthening and 14 providing additional funding for the Attorney General's Workers' 15 Compensation Fraud Unit, providing counseling services pursuant to 16 the workers' compensation counselor or ombudsman program and safety 17 in the workplace.

B. A fee of One Hundred Thirty Dollars (\$130.00) per action to
reopen any case pursuant to Section 32 of this act title shall be
collected by the Commission and assessed as costs to be paid by the
party that reopens the case. The fee collected pursuant to this
subsection shall be deposited to the credit of the Workers'
Compensation <u>Commission Revolving</u> Fund for purposes of implementing
the provisions of this act title, including strengthening and

Req. No. 7593

providing additional funding for the Attorney General's Workers' Compensation Fraud Unit, providing counseling services pursuant to the workers' compensation counselor or ombudsman program and safety in the workplace.

5 SECTION 45. AMENDATORY Section 162, Chapter 208, O.S.L.
6 2013 (85A O.S. Supp. 2018, Section 119), is amended to read as
7 follows:

8 Section 119. A. Persons requesting and receiving copies of 9 documents on file with the Workers' Compensation Commission shall 10 pay a fee to the Commission of One Dollar (\$1.00) for each page 11 copied. All fees so collected shall be deposited in the State 12 Treasury in the Workers' Compensation <u>Commission Revolving</u> Fund.

B. All penalties and fines imposed by the Commission, upon
collection, shall be deposited to the credit of the Workers'
Compensation Commission Revolving Fund.

SECTION 46. AMENDATORY Section 163, Chapter 208, O.S.L. 2013 (85A O.S. Supp. 2018, Section 120), is amended to read as follows:

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

Req. No. 7593

workers' compensation claims, the employee shall be subject to
discharge by the employer.

3 1. All requests made to the Workers' Compensation Β. 4 Commission for information on prior workers' compensation claims 5 involving a worker, including written inquiries about prior claims and requests to access a worker's compensation claim file, must be 6 7 in writing, on a form prescribed by the Commission, and accompanied by a fee of One Dollar (\$1.00) per search request, not to exceed One 8 9 Dollar (\$1.00) per claims record of a particular worker. The fee 10 shall be deposited to the credit of the Workers' Compensation 11 Commission Revolving Fund. The form shall require identification of 12 the person requesting the information, and the person for whom a 13 search is being made if different from the requester. The form must 14 contain an affidavit signed by the requester under penalty of 15 perjury that the information sought is not requested for a purpose 16 in violation of state or federal law. The form must be used by all 17 repositories of archived Court claim files. All request forms shall 18 be maintained by the Commission as a public record, together with a 19 record of a worker's written authorization permitting a search 20 indexed by the worker's social security number as required by 21 Section 3113 of Title 74 of the Oklahoma Statutes. The request 22 forms and authorizations shall be indexed alphabetically by the last 23 name of the worker.

24 2. This subsection shall not apply:

Req. No. 7593

- 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,
- c. when a worker or the worker's representative requests
   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
  of health care or rehabilitation services rendered to
  a worker, and
- f. to requests for claims information made by an employer or personnel service company, including but not limited to an individual or entity, where the worker executes a written authorization permitting the search

1 and designating the employer or personnel service 2 company as the worker's representative for that 3 purpose; however, nothing in this subparagraph shall 4 relieve the employer or personnel service company from 5 complying with the requirements of utilizing the form 6 set forth in paragraph 1 of this subsection. 7 SECTION 47. Section 164, Chapter 208, O.S.L. AMENDATORY

8 2013 (85A O.S. Supp. 2018, Section 121), is amended to read as 9 follows:

Section 121. A. There is hereby created an Advisory Council on Workers' Compensation.

B. The voting membership of the Advisory Council shall consist of nine (9) members. Any member serving on the effective date of this section shall serve the remainder of his or her term. The chair of the Workers' Compensation Commission shall be an ex officio nonvoting member.

The Governor shall appoint three members representing
 employers in this state, one of whom shall be from a list of
 nominees provided by the predominant statewide broad-based business
 organization.

21 2. The Speaker of the House of Representatives shall appoint 22 three members representing employees in this state, one of whom 23 shall be from a list of nominees provided by the most representative 24 labor organization in the state.

## Req. No. 7593

3. The President Pro Tempore of the Senate shall appoint three members, two who are attorneys representing the legal profession in this state, one of whom shall be an attorney who practices primarily in the area of defense of workers' compensation claims, and one of whom shall be an attorney who primarily represents claimants, and a medical doctor or doctor of osteopathy actively engaged in the treatment of injured workers.

8 C. The term of office for appointees shall be as follows: 9 1. The term of office for three positions, one each appointed 10 by the Governor, the President Pro Tempore of the Senate and the 11 Speaker of the House of Representatives shall expire on January 1, 12 2015;

The term of office for three positions, one each appointed
 by the Governor, the President Pro Tempore of the Senate and the
 Speaker of the House of Representatives shall expire on January 1,
 2016; and

3. The term of office for three positions, one each appointed
by the Governor, the President Pro Tempore of the Senate and the
Speaker of the House of Representatives shall expire on January 1,
20 2017.

D. Thereafter, successors in office shall be appointed for a three-year term. Members shall be eligible to succeed themselves in office.

24

Req. No. 7593

E. Any person appointed to fill a vacancy shall be appointed
 for the unexpired portion of the term.

3 F. The chair and the vice-chair of the Advisory Council shall4 be appointed by the Governor.

G. Members shall receive their traveling and other necessary
expenses incurred in the performance of their duties as provided in
the State Travel Reimbursement Act.

H. Meetings of the Advisory Council shall be quarterly or as
called by the chair or upon petition by a majority of the voting
members. The presence of five voting members constitutes a quorum.
No action shall be taken by the Advisory Council without the
affirmative vote of at least five members.

I. The Commission shall provide office supplies and personnel of the Commission to carry out any of the duties that have been entrusted to the Advisory Council.

16 The Advisory Council shall analyze and review the workers' J. 17 compensation system, the reports of the Commission, and trends in 18 the field of workers' compensation. The Advisory Council may 19 recommend improvements and proper responses to developing trends. 20 The Advisory Council shall report its findings annually to the 21 Governor, the Chief Justice of the Supreme Court, the President Pro 22 Tempore of the Senate, and the Speaker of the House of 23 Representatives.

24

Req. No. 7593

K. In addition to other duties required by this section, the
 Advisory Council shall consult with the <u>Court Commission</u> regarding
 oversight of independent medical examiners as provided in Section 45
 of this act title.

5 L. The Advisory Council shall review the Oklahoma Treatment 6 Guidelines as provided in the Workers' Compensation Code, and report 7 the findings of such review to the Commission as provided in this 8 act.

9 SECTION 48. AMENDATORY Section 165, Chapter 208, O.S.L.
10 2013, as amended by Section 4, Chapter 344, O.S.L. 2015 (85A O.S.
11 Supp. 2018, Section 122), is amended to read as follows:

Section 122. A. The Workers' Compensation Commission Revolving Fund established by Section 2 <u>28.1</u> of this act <u>title</u> shall be used for the costs of administering this act and for other purposes as authorized by law.

B. For the purpose of providing funds for the Workers'
Compensation Commission Revolving Fund, for the Workers'
Compensation Administrative Fund created in Section 5 401.1 of this
act title, for the Multiple Injury Trust Fund created in Section 28
of this title, and to fund other provisions within this title, the
following tax rates shall apply:

Each mutual or interinsurance association, stock company,
 CompSource Oklahoma or other insurance carrier writing workers'
 compensation insurance in this state shall pay to the Oklahoma Tax

1 Commission an assessment at a rate of one percent (1%) of all gross 2 direct premiums written during each quarter of the calendar year for workers' compensation insurance on risks located in this state after 3 4 deducting from such gross direct premiums, return premiums, 5 unabsorbed portions of any deposit premiums, policy dividends, safety refunds, savings and other similar returns paid or credited 6 7 to policyholders. Such payments to the Tax Commission shall be made not later than the fifteenth day of the month following the close of 8 9 each quarter of the calendar year in which such gross direct premium 10 is collected or collectible. Contributions made by insurance 11 carriers and CompSource Oklahoma, under the provisions of this 12 section, shall be considered for the purpose of computing workers' 13 compensation rates; and

14 2. When an employer is authorized to become a self-insurer, the 15 Workers' Compensation Commission shall so notify the Tax Commission, 16 giving the effective date of such authorization. The Tax Commission 17 shall then assess and collect from the employers carrying their own 18 risk an assessment at the rate of two percent (2%) of the total 19 compensation for permanent total disability awards, permanent 20 partial disability awards and death benefits paid out during each 21 quarter of the calendar year by the employers. Such assessment 22 shall be payable by the employers and collected by the Tax 23 Commission according to the provisions of this section regarding

24

1 payment and collection of the assessment created in paragraph 1 of 2 this subsection.

C. It shall be the duty of the Tax Commission to collect the payments provided for in this title. The Tax Commission is hereby authorized to bring an action for the recovery of any delinquent or unpaid payments required in this section. The Tax Commission may also enforce payments by proceeding in accordance with the provisions of Section 98 of this title.

9 D. The Tax Commission shall pay monthly to the State Treasurer 10 to the credit of the Multiple Injury Trust Fund all monies collected 11 under the provisions of this section less the annual amounts which 12 shall be apportioned by the Oklahoma Tax Commission as follows:

<u>To be fulfilled first</u>, Five Million Dollars (\$5,000,000.00)
 shall be payable in equal monthly installments to the credit of the
 Workers' Compensation Commission Revolving Fund established in
 Section 2 28.1 of this act for the fiscal year ending June 30, 2016,
 and Three Million Dollars (\$3,000,000.00) title for the fiscal year
 ending June 30, 2017 2020, and for all subsequent years to be used
 to implement the provisions of this title; and

20 2. Four Million Dollars (\$4,000,000.00) Two Million Five
21 <u>Hundred Thousand Dollars (\$2,500,000.00)</u> shall be payable in equal
22 monthly installments to the credit of the Workers' Compensation
23 Administrative Fund established in Section 5 401.1 of this act title
24 for the fiscal year ending June 30, 2016, Three Million Five Hundred

Req. No. 7593

1 Thousand Dollars (\$3,500,000.00) for the fiscal year ending June 30, 2017, Three Million Five Hundred Thousand Dollars (\$3,500,000.00) 2 for the fiscal year ending June 30, 2018, Three Million Dollars 3 (\$3,000,000.00) for the fiscal year ending June 30, 2019, and Two 4 5 Million Five Hundred Thousand Dollars (\$2,500,000.00) for the fiscal 6 year ending June 30, 2020 and Three Million Dollars (\$3,000,000.00) for all subsequent years as long as the Workers' Compensation Court 7 of Existing Claims is authorized by the Legislature. 8 Monies 9 deposited in the Workers' Compensation Administrative Fund shall be 10 used by the Workers' Compensation Court of Existing Claims to 11 implement provisions provided for in this title. 12 Ε. The refund provisions of Sections 227 through 229 of Title 13 68 of the Oklahoma Statutes shall be applicable to any payments made 14 pursuant to this section. 15 Section 166, Chapter 208, O.S.L. SECTION 49. AMENDATORY 16 2013 (85A O.S. Supp. 2018, Section 123), is amended to read as 17 follows: 18 Section 123. Any A. Except as otherwise provided in this 19 section, any form, claim, answer or report to be filed by any person 20 with the Workers' Compensation Commission pursuant to this act shall 21 contain or be verified by a written declaration that such form, 22 claim, answer or report is true and made under the penalty of 23 perjury. This subsection shall not be construed to pertain to the 24

Req. No. 7593

1	electronic data interchange system developed and implemented by the
2	Commission pursuant to Section 101 of this title.
3	B. An electronic signature upon, or the act of submitting or
4	filing, any such form, claim, answer or report containing such a
5	written declaration to any online filing system employed by the
6	Commission shall constitute affirmation that the form, claim, answer
7	or report is true and made under the penalty of perjury.
8	SECTION 50. AMENDATORY Section 167, Chapter 208, O.S.L.
9	2013, as amended by Section 7, Chapter 169, O.S.L. 2014 (85A O.S.
10	Supp. 2018, Section 124), is amended to read as follows:
11	Section 124. A. 1. All unexpended funds, assets, property,
12	records, personnel and any outstanding financial obligations and
13	encumbrances of the Workers' Compensation Court before February 1,
14	2014, are hereby transferred to the Workers' Compensation
15	Commission, except for personnel transferred to the Workers'
16	Compensation Court of Existing Claims on July 9, 2014. The
17	personnel transferred to the Commission and retained by the
18	Commission shall retain leave, sick and annual time earned and any
19	retirement and longevity benefits which have accrued during their
20	employment with the state. The salaries of employees who are
21	transferred shall not be reduced as a direct and immediate result of
22	the transfer. There shall be no reduction-in-force as a result of
23	the transfer. The Workers' Compensation Court of Existing Claims
24	shall pay the expense of maintaining the records of the Court and

Req. No. 7593

1 the records of the former Workers' Compensation Court for as long as 2 the Legislature appropriates funding to the Court independent of 3 funding for the Commission. Thereafter, all such records shall be 4 transferred to the Commission.

5 2. Any unexpended funds, including interest thereon, held by the State Treasurer in an interest-bearing division special account 6 maintained by the Workers' Compensation Court before February 1, 7 2014, from which a self-insured employer's workers' compensation 8 9 obligations are paid following nonpayment by the self-insured 10 employer for any reason, including insolvency, shall be transferred 11 to the Workers' Compensation Commission. Such funds shall be 12 expended by the Commission only for the purpose of paying workers' 13 compensation obligations of the self-insured employer, and costs 14 related to the administration of such obligations, to the extent of 15 the availability of such funds.

B. 1. All unexpended funds, assets, property, and records and
any outstanding financial obligations and encumbrances of the
Workers' Compensation Self-insurance Guaranty Fund Board before
February 1, 2014, are hereby transferred to the Self-insurance
Guaranty Fund Board created in the Administrative Workers'
Compensation Act.

22 2. Any unexpended funds, including interest thereon, held by
23 the State Treasurer in the Workers' Compensation Self-insurance
24 Guaranty Fund before February 1, 2014, shall be transferred to the

## Req. No. 7593

Self-insurance Guaranty Fund Board created by the Administrative
 Workers' Compensation Act. Such funds shall be expended by the
 Board only as authorized in the Administrative Workers' Compensation
 Act.

5 3. Any claim existing or action or proceeding pending by, against or before the Workers' Compensation Self-insurance Guaranty 6 7 Fund Board when the Board ceased existence may be continued as if the Self-insurance Guaranty Fund Board was not created, or the Self-8 9 insurance Guaranty Fund Board may be substituted in the matter. The 10 Self-insurance Guaranty Fund Board shall be responsible and liable 11 for all liabilities and obligations of the Workers' Compensation 12 Self-insurance Guaranty Fund Board.

C. All property and records of the Physician Advisory Committee before February 1, 2014, are hereby transferred to the Physician Advisory Committee created in the Administrative Workers' Compensation Act.

D. All property and records of the Advisory Council on Workers'
Compensation before February 1, 2014, are hereby transferred to the
Advisory Council on Workers' Compensation created in the
Administrative Workers' Compensation Act.

E. All unexpended funds, assets, property, records, personnel
and any outstanding financial obligations and encumbrances of the
Multiple Injury Trust Fund before February 1, 2014, are hereby
transferred to the Multiple Injury Trust Fund created in the

Administrative Workers' Compensation Act. The personnel transferred shall retain leave, sick and annual time earned and any retirement and longevity benefits which have accrued during their employment with the state. The salaries of employees who are transferred shall not be reduced as a direct and immediate result of the transfer.

F. The Director of the Office of Management and Enterprise
Services is hereby directed to coordinate the transfer of funds,
allotments, purchase orders, outstanding financial obligations or
encumbrances provided for in subsections A and E of this section,
and the transfer of funds, outstanding financial obligations or
encumbrances provided for in subsection B of this section.

SECTION 51. AMENDATORY Section 121, Chapter 208, O.S.L. (85A O.S. Supp. 2018, Section 300), is amended to read as follows:

Section 300. Sections 121 300 through 149 328 of this act title shall be known and may be cited as the "Workers' Compensation Arbitration Act".

SECTION 52. AMENDATORY Section 125, Chapter 208, O.S.L. 20 2013 (85A O.S. Supp. 2018, Section 304), is amended to read as 21 follows:

Section 304. A. Except as otherwise provided in subsections B and C of this section and in the laws of this state outside of this act title, a party to an agreement to arbitrate or to an arbitration 1 proceeding may waive, or the parties may vary the effect of, the 2 requirements of this act to the extent permitted by law.

3 B. Before a controversy arises that is subject to an agreement4 to arbitrate, a party to the agreement may not:

Waive or agree to vary the effect of the requirements of
 subsection A of Section 126 305, subsection A of Section 127 306,
 Section 128 307, subsection A or B of Section 138 317, Section 147
 326 or Section 149 328 of this act title;

9 2. Agree to unreasonably restrict the right to notice of the 10 initiation of an arbitration proceeding under Section <del>130</del> <u>309</u> of 11 this <del>act</del> title;

Agree to unreasonably restrict the right to disclosure of
 any facts by an arbitrator under Section 133 312 of this act title;

4. Waive the right of a party to an agreement to arbitrate to
be represented by a lawyer at any proceeding or hearing under
Section 137 316 of this act title; or

17 5. Agree to conduct arbitration proceedings outside of this18 state.

C. A party to an agreement to arbitrate or to an arbitration proceeding may not waive, or the parties may not vary the effect of, the requirements of this section or subsection A or C of Section 124 304, Sections 128, 135 and 139 307, 314 and 318, subsection D or E of Section 141 320, Sections 143, 144 and 145 322, 323 and 324, or subsection A or B of Section 146 325 of this act title.

Req. No. 7593

SECTION 53. AMENDATORY Section 126, Chapter 208, O.S.L.
 2013 (85A O.S. Supp. 2018, Section 305), is amended to read as
 follows:

Section 305. A. Except as otherwise provided in Section 150
<u>107</u> of this act <u>title</u>, an application for judicial relief under this
act shall be made by application and motion to the <u>Workers'</u>
<u>Compensation</u> Commission and heard in the manner provided by law or
rule of the Commission for making and hearing motions.

9 B. Unless a civil action involving the agreement to arbitrate
10 is pending, notice of an initial application and motion to the
11 Commission under this act shall be served in the manner provided by
12 law for the service of a summons in the filing of a civil action.
13 Otherwise, notice of the motion shall be given in the manner
14 provided by law or rule of court for serving motions in pending
15 cases.

SECTION 54. AMENDATORY Section 128, Chapter 208, O.S.L. 2013 (85A O.S. Supp. 2018, Section 307), is amended to read as follows:

Section 307. A. On application and motion of a person showing an agreement to arbitrate and alleging another person's refusal to arbitrate under the agreement:

1. If the refusing party does not appear or does not oppose the motion, the <u>Workers' Compensation</u> Commission shall order the parties to arbitrate; and

Req. No. 7593

1 2. If the refusing party opposes the motion, the Commission 2 shall proceed summarily to decide the issue and order the parties to arbitrate unless it finds that there is no enforceable agreement to 3 4 The Commission may also assess costs against the party arbitrate. 5 opposing the motion if it concludes the opposition was not brought in good faith to be deposited in the Workers' Compensation 6 7 Commission Revolving Fund created by the Administrative Workers' Compensation Act in Section 28.1 of this title. 8

9 Β. On motion of a person alleging that an arbitration 10 proceeding has been initiated or threatened but that there is no 11 agreement to arbitrate, the Commission shall proceed summarily to 12 decide the issue. If the Commission finds that there is an 13 enforceable agreement to arbitrate, it shall order the parties to 14 arbitrate. The Commission may also assess costs against the party 15 opposing the motion if the Commission concludes the opposition was 16 not brought in good faith to be deposited in the Workers' 17 Compensation Fund created by the Administrative Workers' 18 Compensation Act.

C. If the Commission finds that the parties have not entered into an enforceable arbitration agreement, the dispute shall be resolved under the Administrative Workers' Compensation Act.

D. If an action is initiated in district court to determine whether an enforceable arbitration agreement exists, on motion by

Req. No. 7593

1 the responding party, that proceeding shall be transferred to the 2 Commission for determination.

E. If a party challenges the enforceability of an arbitration agreement, the underlying claim, including all benefits, shall be stayed until the Commission determines whether an enforceable arbitration agreement exists.

SECTION 55. AMENDATORY Section 133, Chapter 208, O.S.L.
8 2013 (85A O.S. Supp. 2018, Section 312), is amended to read as
9 follows:

Section 312. A. Before accepting appointment, an individual who is requested to serve as an arbitrator, after making a reasonable inquiry, shall disclose to the parties to the arbitration agreement, the parties to the arbitration proceeding, and any other arbitrators any known facts that a reasonable person would consider likely to affect the impartiality of the arbitrator in the arbitration proceeding, including but not limited to:

A financial or personal interest in the outcome of the
 arbitration proceeding; and

2. An existing or past relationship with any of the parties to
the agreement to arbitrate or the arbitration proceeding, their
counsel or representatives, a witness, or another arbitrator.

B. An arbitrator has a continuing obligation to disclose to the parties to the arbitration agreement, the arbitration proceeding, and to any other arbitrators any facts that the arbitrator learns

Req. No. 7593

after accepting appointment which a reasonable person would consider
 likely to affect the impartiality of the arbitrator.

C. If an arbitrator discloses a conflict under subsection A or B of this section, any party to the arbitration agreement or the arbitration proceeding may have the arbitrator removed by filing a notice of conflict with the <u>Workers' Compensation</u> Commission. If a notice of conflict is not filed within ten (10) days of disclosure of the conflict, the parties waive their rights to have any order or award entered vacated under Section <u>144</u> <u>323</u> of this <u>act title</u>.

SECTION 56. AMENDATORY Section 134, Chapter 208, O.S.L. 2013 (85A O.S. Supp. 2018, Section 313), is amended to read as follows:

Section 313. If there is more than one arbitrator, the powers of an arbitrator shall be exercised by a majority of the arbitrators, but all of them shall conduct the hearing under Section 16 136 315 of this act title.

SECTION 57. AMENDATORY Section 135, Chapter 208, O.S.L. 2013 (85A O.S. Supp. 2018, Section 314), is amended to read as follows:

20 Section 314. A. Arbitrators and arbitration organizations 21 providing services under this act are immune from civil liability to 22 the same extent as a judge of a court of this state acting in a 23 judicial capacity.

24

Req. No. 7593

B. The immunity afforded by this section supplements any
 immunity under other law.

C. The failure of an arbitrator to make a disclosure required by Section 133 312 of this act title shall not cause any loss of immunity under this section.

D. An arbitrator or representative of an arbitration
organization is not competent to testify in a judicial,
administrative, or similar proceeding and may not be required to
produce records as to any statement, conduct, decision, or ruling
occurring during the arbitration proceeding, to the same extent as a
judge of a court of this state acting in a judicial capacity. This
subsection shall not apply to:

The extent necessary to determine the claim of an
 arbitrator, arbitration organization, or representative of the
 arbitration organization against a party to the arbitration
 proceeding; or

17 2. A hearing on an application and motion to vacate an award 18 under paragraphs 1 or 2 of subsection A of Section 144 323 of this 19 act title if the movant establishes prima facie that a ground for 20 vacating the award exists.

E. If a person commences a civil action against an arbitrator,
arbitration organization, or representative of an arbitration
organization arising from the services of the arbitrator,
organization, or representative or if a person seeks to compel an

Req. No. 7593

1 arbitrator or a representative of an arbitration organization to 2 testify or produce records in violation of subsection D of this 3 section, and the court decides that the arbitrator, arbitration 4 organization, or representative of an arbitration organization is 5 immune from civil liability or that the arbitrator or representative of the organization is not competent to testify, the court shall 6 7 award to the arbitrator, organization, or representative reasonable attorney fees and other reasonable expenses of litigation. 8

9 SECTION 58. AMENDATORY Section 137, Chapter 208, O.S.L. 10 2013 (85A O.S. Supp. 2018, Section 316), is amended to read as 11 follows:

Section 316. A. A party to an arbitration proceeding may be represented by a lawyer.

B. Each party shall be responsible for payment of his or her
legal fees incurred during arbitration, except as provided for in
Section 142 321 of this act title.

C. The employee's attorney may not recover legal fees in excess
of the limits described in Section 82 of this act title.

SECTION 59. AMENDATORY Section 139, Chapter 208, O.S.L. 20 2013 (85A O.S. Supp. 2018, Section 318), is amended to read as 21 follows:

Section 318. If an arbitrator makes a pre-award ruling in favor of a party, the party may request the arbitrator to incorporate the ruling into an award under Section <del>140</del> 319 of this <del>act</del> title. A

Req. No. 7593

prevailing party may make an application and motion to the Commission for an expedited judgment to confirm the award under Section <u>143</u> <u>322</u> of this <u>act title</u>, in which case the <u>Workers'</u> <u>Compensation</u> Commission shall summarily decide the motion. The Commission shall issue a judgment to confirm the award unless the <del>court <u>Commission</u> vacates, modifies, or corrects the award under Section <u>144 or 145</u> <u>323 or 324</u> of this <u>act title</u>.</del>

8 SECTION 60. AMENDATORY Section 141, Chapter 208, O.S.L. 9 2013 (85A O.S. Supp. 2018, Section 320), is amended to read as 10 follows:

Section 320. A. On motion by a party to an arbitration proceeding, the arbitrator may modify or correct an award:

13 1. On a ground stated in paragraph 1 or 3 of subsection A of
 14 Section 145 324 of this act title;

15 2. Because the arbitrator has not made a final and definite 16 award upon a claim submitted by the parties to the arbitration 17 proceeding; or

18 3. To clarify the award.

B. A motion under subsection A of this section shall be made and notice given to all parties within twenty (20) days after the award is issued to the parties.

C. A party to the arbitration proceeding shall give notice of any objection to the motion within ten (10) days after receipt of the motion.

Req. No. 7593

1 D. If a motion to the Workers' Compensation Commission is pending under Section 144 or 145 323 or 324 of this act title, the 2 3 Commission may submit the claim to the arbitrator to consider whether to modify or correct the award: 4 5 1. On a ground stated in paragraph 1 or 3 of subsection A of Section 145 324 of this act title; 6 7 2. Because the arbitrator has not made a final and definite award upon a claim submitted by the parties to the arbitration 8 9 proceeding; or 10 3. To clarify the award. 11 Ε. An award modified or corrected under this section is subject to Sections 143, 144 and 145 322, 323 and 324 of this act title. 12 13 SECTION 61. AMENDATORY Section 142, Chapter 208, O.S.L. 14 2013 (85A O.S. Supp. 2018, Section 321), is amended to read as 15 follows: 16 Section 321. A. An arbitrator may award benefits set forth in 17 Sections 45, 46, 47 and 51 of this act title. 18 B. An arbitrator may award reasonable attorney fees and other 19 reasonable expenses of arbitration if the arbitrator finds that a 20 party was not acting in good faith throughout the arbitration. 21 C. As to all remedies other than those authorized by 22 subsections A and B of this section, an arbitrator may order such 23 remedies as the arbitrator considers just and appropriate under the 24 circumstances of the arbitration proceeding. The fact that such a

Req. No. 7593

remedy could not or would not be granted by the <u>Workers'</u>
 <u>Compensation</u> Commission is not a ground for refusing to confirm an
 award under Section 143 322 of this act title or for vacating an
 award under Section 144 323 of this act title.

5 D. An arbitrator's expenses and fees, together with other6 expenses, shall be paid by the employer.

E. If an arbitrator awards relief under subsection A of this
section, the arbitrator shall specify in the award the basis in fact
justifying and the basis in law authorizing the award.

10 SECTION 62. AMENDATORY Section 143, Chapter 208, O.S.L. 11 2013 (85A O.S. Supp. 2018, Section 322), is amended to read as 12 follows:

Section 322. After a party to an arbitration proceeding receives notice of an award, the party may make an application and motion to the <u>Workers' Compensation</u> Commission for a judgment confirming the award at which time the Commission shall issue a confirming judgment unless the award is modified or corrected under Section <u>141 or 145</u> <u>320 or 324</u> of this <u>act title</u> or is vacated under Section <u>144</u> 323 of this <u>act</u> title.

20 SECTION 63. AMENDATORY Section 144, Chapter 208, O.S.L. 21 2013 (85A O.S. Supp. 2018, Section 323), is amended to read as 22 follows:

23 Section 323. A. On an application and motion to the court by a 24 party to an arbitration proceeding, the <u>Workers' Compensation</u>

Req. No. 7593

1 Commission shall vacate an award made in the arbitration proceeding
2 if:

3 1. The award was procured by corruption, fraud, or other undue 4 means;

5 2. There was:

a. evident partiality by an arbitrator appointed as a
neutral arbitrator,

8 b. corruption by an arbitrator, or

9 c. misconduct by an arbitrator prejudicing the rights of
10 a party to the arbitration proceeding;

An arbitrator refused to postpone the hearing upon showing of sufficient cause for postponement, refused to consider evidence material to the controversy, or otherwise conducted the hearing contrary to Section <del>136</del> <u>315</u> of this <del>act</del> <u>title</u>, so as to prejudice substantially the rights of a party to the arbitration proceeding;

4. An arbitrator exceeded his or her powers under this act;
5. The arbitration was conducted without proper notice of the
initiation of an arbitration as required in Section 130 309 of this
act title so as to prejudice substantially the rights of a party to
the arbitration proceeding; or

6. It is determined that an arbitrator did not disclose a
conflict under Section 133 312 of this act title.

B. An application and motion under this section shall be filed
within thirty (30) days after the movant receives notice of the

Req. No. 7593

award or within thirty (30) days after the movant receives notice of a modified or corrected award, unless the movant alleges that the award was procured by corruption, fraud, or other undue means, in which case the motion shall be made within ninety (90) days after the ground is known or by the exercise of reasonable care would have been known by the movant.

C. If the Commission vacates an award it may order a rehearing. 7 If the award is vacated on a ground stated in paragraph 1, 2 or 6 of 8 9 subsection A of this section, the rehearing shall be before a new 10 arbitrator. If the award is vacated on a ground stated in paragraph 11 3, 4 or 5 of subsection A of this section, the rehearing may be before the arbitrator who made the award or the arbitrator's 12 13 successor. The arbitrator shall render the decision in the 14 rehearing within the same time as that provided in subsection B of 15 Section 140 319 of this act title for an award.

D. If the Commission denies a motion to vacate an award, it shall confirm the award unless a motion to modify or correct the award is pending.

SECTION 64. AMENDATORY Section 148, Chapter 208, O.S.L. 20 2013 (85A O.S. Supp. 2018, Section 327), is amended to read as 21 follows:

Section 327. A. A party may appeal the following actions to the district court as provided in Section 149 328 of this act title: An order denying a motion to compel arbitration;

Req. No. 7593

1 2. An order granting a motion to stay arbitration; 2 An order confirming or denying confirmation of an award; 3. An order modifying or correcting an award; 3 4. 4 5. An order vacating an award without directing a rehearing; or 5 6. A final judgment entered under the Workers' Compensation Arbitration Act. 6 7 SECTION 65. Section 169, Chapter 208, O.S.L. AMENDATORY 8 2013 (85A O.S. Supp. 2018, Section 400), is amended to read as 9 follows: 10 Section 400. A. The Workers' Compensation Court shall be 11 renamed the Workers' Compensation Court of Existing Claims for the 12 purpose of hearing disputes relating to claims that arise before 13 February 1, 2014. The Court shall consist of the existing judges 14 for the remainder of his or her term. Each judge of the Court shall 15 continue to serve as the appointment to a designated numbered 16 position on the Court. The positions shall be numbered one through 17 ten. The terms of the judges by position number shall expire on the 18 following dates:

19Position 1 shall expire 7-1-14.20Position 2 shall expire 7-1-14.21Position 3 shall expire 7-1-14.22Position 4 shall expire 7-1-20.23Position 5 shall expire 7-1-20.24Position 6 shall expire 7-1-16.

Req. No. 7593

1 Position 7 shall expire 7-1-16.

2 Position 8 shall expire 7-1-20.

3 Position 9 shall expire 7-1-20.

4 Position 10 shall expire 7-1-14.

5 Provided, judges who are serving unexpired terms on the Workers' 6 Compensation Court on the effective date of this section shall serve 7 on the Court created by this section until their respective terms 8 expire as provided in this act. Thereafter, each position shall be 9 dissolved. After a judge serves this term, such judge shall be 10 eligible to reapply for an administrative law judge with the 11 Workers' Compensation Commission.

12 B. When a vacancy on the Court occurs or is certain to occur, 13 the Workers' Compensation Commission shall assign administrative law 14 judges from the Commission to assist in the duties of the Workers' 15 Compensation Court of Existing Claims the Governor shall appoint a 16 judge to serve the remainder of the term from a list of three 17 applicants submitted to the Governor by the Judicial Nominating 18 Commission. The Governor shall appoint a Presiding Judge of the 19 Workers' Compensation Court of Existing Claims to select sufficient 20 staff to support the functions of the Court. In addition, the 21 Presiding Judge shall be authorized to contract with the Workers' 22 Compensation Commission or other individuals or entities for 23 services and shared services.

24

B. C. A judge may be removed for cause by the Court on the
 Judiciary prior to the expiration of his or her term.

3 C. D. Each judge shall receive a salary equal to that paid to a 4 district judge of this state, and shall devote full time to his or 5 her duties and shall not engage in the private practice of law 6 during the term in office.

7 The Court shall operate by the rules adopted by the <del>D.</del>E. Workers' Compensation Court prior to the effective date of this act. 8 9 E. F. The Court is hereby designated and confirmed as a court 10 of record, with respect to any matter within the limits of its 11 jurisdiction, and within such limits the judges thereof shall 12 possess the powers and prerogatives of the judges of the other 13 courts of record of this state, including the power to punish for 14 contempt those persons who disobey a subpoena, or refuse to be sworn 15 or to answer as a witness, when lawfully ordered to do so.

16 F. G. The principal office of the Court shall be situated in 17 the City of Oklahoma City in quarters assigned by the Office of 18 Management and Enterprise Services. The Court may hold hearings in 19 any city of this state.

20 G. H. All county commissioners and presiding district judges of 21 this state shall make quarters available for the conducting of 22 hearings by a judge of the Court upon request by the Court.

- 23
- 24

H. I. Judges of the Workers' Compensation Court of Existing
 Claims may punish for direct contempt pursuant to Sections 565,
 565.1 and 566 of Title 21 of the Oklahoma Statutes.

4 I. J. The Court shall be vested with jurisdiction over all 5 claims filed pursuant to the Workers' Compensation Code or previous statute in effect on the date of an injury that occurred before 6 7 February 1, 2014. All claims so filed shall be heard by the judge sitting without a jury. The Court shall have full power and 8 9 authority to determine all questions in relation to payment of 10 claims for compensation under the provisions of the Workers' 11 Compensation Code. The Court, upon application of either party, 12 shall order a hearing. Upon a hearing, either party may present 13 evidence and be represented by counsel. The decision of the Court 14 shall be final as to all questions of fact and law; provided, the 15 decision of the Court may be appealed to the Commission Court en 16 banc or the Supreme Court as provided by the Workers' Compensation 17 Code. In the event that an insufficient number of active judges are 18 available to comprise the three-judge en banc panel, retired or 19 former judges of the district court or Workers' Compensation Court 20 may be designated by the Presiding Judge to serve on such panel. 21 The decision of the Court shall be issued within sixty (60) days 22 following the submission of the case by the parties. The power and 23 jurisdiction of the Court over each case shall be continuing and it 24 may, from time to time, make such modifications or changes with

1 respect to former findings or orders relating thereto if, in its
2 opinion, it may be justified.

J. Any appeal of an order by the Workers' Compensation Court of Existing Claims shall be heard by the Commission en banc. The Commission shall review the decision using an abuse of discretion standard of review. Orders by the Commission may be appealed in accordance with Section 78 of this act.

8 K. To protect the integrity of the transition from the Workers'
9 Compensation Court to the administrative system created by this act,
10 and to protect all rights and privileges of parties to claims

11 adjudicated by the Workers' Compensation Court, the Commission shall

12 | retain all remedies and responsibilities of the Workers'

13 Compensation Court for as long as cases involving claims for

14 compensation accruing before the effective date of this act but

15 filed thereafter or which were pending before or adjudicated by the

16 Workers' Compensation Court shall remain open.

17 L. For an injury occurring before the effective date of this 18 act February 1, 2014, all benefits and procedures to obtain benefits 19 shall be determined by the workers' compensation law of this state 20 in effect on the date of the injury. Administrative law judges of 21 the Commission shall enforce all final orders of the Workers' 22 Compensation Court in a manner to secure for all parties the due 23 process and equal protection guarantees of the Constitution of the 24 State of Oklahoma.

1 M. L. All accrued rights and penalties incurred pursuant to a 2 final order of the Workers' Compensation Court shall be preserved. 3 Administrative law judges of the Commission shall be authorized to 4 issue orders and conduct legal proceedings to enforce all such 5 accrued rights and penalties incurred. No accrued right, penalty incurred, or proceeding begun by virtue of a statute repealed by 6 7 this act shall be abrogated by the terms of this act. SECTION 66. AMENDATORY 25 O.S. 2011, Section 307, as 8 9 last amended by Section 1, Chapter 252, O.S.L. 2018 (25 O.S. Supp. 10 2018, Section 307), is amended to read as follows: 11 Section 307. A. No public body shall hold executive sessions 12 unless otherwise specifically provided in this section. 13 в. Executive sessions of public bodies will be permitted only 14 for the purpose of: 15 1. Discussing the employment, hiring, appointment, promotion, 16 demotion, disciplining or resignation of any individual salaried 17 public officer or employee; 18 2. Discussing negotiations concerning employees and 19 representatives of employee groups; 20 Discussing the purchase or appraisal of real property; 3. 21 4. Confidential communications between a public body and its 22 attorney concerning a pending investigation, claim, or action if the 23 public body, with the advice of its attorney, determines that 24 disclosure will seriously impair the ability of the public body to

Req. No. 7593

1 process the claim or conduct a pending investigation, litigation, or 2 proceeding in the public interest;

5. Permitting district boards of education to hear evidence and discuss the expulsion or suspension of a student when requested by the student involved or the student's parent, attorney or legal guardian;

7 6. Discussing matters involving a specific handicapped child;
8 7. Discussing any matter where disclosure of information would
9 violate confidentiality requirements of state or federal law;

8. Engaging in deliberations or rendering a final or
intermediate decision in an individual proceeding pursuant to
Article II of the Administrative Procedures Act;

9. Discussing matters involving safety and security at state penal institutions or correctional facilities used to house state inmates;

10. Discussing contract negotiations involving contracts 17 requiring approval of the Board of Corrections, which shall be 18 limited to members of the public body, the attorney for the public 19 body, and the immediate staff of the public body. No person who may 20 profit directly or indirectly by a proposed transaction which is 21 under consideration may be present or participate in the executive 22 session; or

23 11. Discussing the following:

24

<ul> <li>of terrorism,</li> <li>b. assessments of the vulnerability of government</li> <li>facilities or public improvements to an act of</li> <li>terrorism,</li> <li>c. plans for deterrence or prevention of or protection</li> <li>from an act of terrorism,</li> </ul>	
<ul> <li>4 facilities or public improvements to an act of</li> <li>5 terrorism,</li> <li>6 c. plans for deterrence or prevention of or protection</li> <li>7 from an act of terrorism,</li> </ul>	
<ul> <li>5 terrorism,</li> <li>6 c. plans for deterrence or prevention of or protection</li> <li>7 from an act of terrorism,</li> </ul>	
6 c. plans for deterrence or prevention of or protection 7 from an act of terrorism,	
7 from an act of terrorism,	
8 d. plans for response or remediation after an act of	
9 terrorism,	
10 e. information technology of the public body but only i	f
11 the discussion specifically identifies:	
12 (1) design or functional schematics that demonstrate	Ð
13 the relationship or connections between devices	
14 or systems,	
15 (2) system configuration information,	
16 (3) security monitoring and response equipment	
17 placement and configuration,	
18 (4) specific location or placement of systems,	
19 components or devices,	
20 (5) system identification numbers, names, or	
21 connecting circuits,	
22 (6) business continuity and disaster planning, or	
23 response plans, or	
24	

1 (7) investigation information directly related to 2 security penetrations or denial of services, or 3 f. the investigation of an act of terrorism that has 4 already been committed. 5 For the purposes of this subsection, the term "terrorism" means any act encompassed by the definitions set forth in Section 1268.1 6 7 of Title 21 of the Oklahoma Statutes. C. Notwithstanding the provisions of subsection B of this 8 9 section, the following public bodies may hold executive sessions: 10 1. The State Banking Board, as provided for under Section 306.1 11 of Title 6 of the Oklahoma Statutes; The Oklahoma Industrial Finance Authority, as provided for 12 2. 13 in Section 854 of Title 74 of the Oklahoma Statutes; 14 The Oklahoma Development Finance Authority, as provided for 3. 15 in Section 5062.6 of Title 74 of the Oklahoma Statutes; 16 4. The Oklahoma Center for the Advancement of Science and 17 Technology, as provided for in Section 5060.7 of Title 74 of the 18 Oklahoma Statutes; 19 5. The Oklahoma Savings and Loan Board, as provided for under 20 subsection A of Section 381.74 of Title 18 of the Oklahoma Statutes; 21 6. The Oklahoma Health Research Committee for purposes of 22 conferring on matters pertaining to research and development of 23 products, if public disclosure of the matter discussed would 24

Req. No. 7593

1 interfere with the development of patents, copyrights, products, or 2 services;

## 3 <u>6. The Workers' Compensation Commission for the purposes</u> 4 specified in Section 19 of Title 85A of the Oklahoma Statutes;

5 7. A review committee, as provided for in Section 855 of Title
6 62 of the Oklahoma Statutes;

7 8. The Child Death Review Board for purposes of receiving and
8 conferring on matters pertaining to materials declared confidential
9 by law;

9. The Domestic Violence Fatality Review Board as provided in
 Section 1601 of Title 22 of the Oklahoma Statutes;

12 10. The Opioid Overdose Fatality Review Board, as provided in
13 Section 2 2-1001 of this act <u>Title 63 of the Oklahoma Statutes;</u>

14 All nonprofit foundations, boards, bureaus, commissions, 11. 15 agencies, trusteeships, authorities, councils, committees, public 16 trusts, task forces or study groups supported in whole or part by 17 public funds or entrusted with the expenditure of public funds for 18 purposes of conferring on matters pertaining to economic 19 development, including the transfer of property, financing, or the 20 creation of a proposal to entice a business to remain or to locate 21 within their jurisdiction if public disclosure of the matter 22 discussed would interfere with the development of products or 23 services or if public disclosure would violate the confidentiality 24 of the business;

Req. No. 7593

1 12. The Oklahoma Indigent Defense System Board for purposes of 2 discussing negotiating strategies in connection with making possible 3 counteroffers to offers to contract to provide legal representation 4 to indigent criminal defendants and indigent juveniles in cases for 5 which the System must provide representation pursuant to the 6 provisions of the Indigent Defense System Act; and

7 13. The Quality Investment Committee for purposes of discussing
8 applications and confidential materials pursuant to the terms of the
9 Oklahoma Quality Investment Act.

10 D. Except as otherwise specified in this subsection, an 11 executive session for the purpose of discussing the purchase or 12 appraisal of real property shall be limited to members of the public 13 body, the attorney for the public body and the immediate staff of 14 the public body. No landowner, real estate salesperson, broker, 15 developer or any other person who may profit directly or indirectly 16 by a proposed transaction concerning real property which is under 17 consideration may be present or participate in the executive 18 session, unless they are operating under an existing agreement to 19 represent the public body.

E. No public body may go into an executive session unless the following procedures are strictly complied with:

The proposed executive session is noted on the agenda as
 provided in Section 311 of this title;

24

1 2. The executive session is authorized by a majority vote of a 2 quorum of the members present and the vote is a recorded vote; and Except for matters considered in executive sessions of the 3 3. 4 State Banking Board and the Oklahoma Savings and Loan Board, and 5 which are required by state or federal law to be confidential, any 6 vote or action on any item of business considered in an executive 7 session shall be taken in public meeting with the vote of each member publicly cast and recorded. 8

9 F. A willful violation of the provisions of this section shall:
10

Subject each member of the public body to criminal sanctions

11 as provided in Section 314 of this title; and

12 2. Cause the minutes and all other records of the executive 13 session, including tape recordings, to be immediately made public. 14 SECTION 67. Sections 15, 24 and 36, as amended REPEALER 15 by Section 1, Chapter 239, O.S.L. 2018, Chapter 208, O.S.L. 2013 16 (85A O.S. Supp. 2018, Sections 15, 24 and 36), are hereby repealed. 17 SECTION 68. REPEALER Sections 107, 108, 109, 110, as 18 amended by Section 4, Chapter 390, O.S.L. 2015, 111, 112, as amended 19 by Section 5, Chapter 390, O.S.L. 2015, 113, 114, 115, 116, 117, 20 118, as amended by Section 6, Chapter 390, O.S.L. 2015, 119 and 120, 21 Chapter 208, O.S.L. 2013 (85A O.S. Supp. 2018, Sections 200, 201, 22 202, 203, 204, 205, 206, 207, 208, 209, 210, 211, 212 and 213), are 23 hereby repealed.

24

Req. No. 7593

1	SECTION 69. Sections 1 through 47 and 49 through 68 of this act
2	shall become effective November 1, 2019.
3	SECTION 70. Section 48 of this act shall become effective July
4	1, 2019.
5	SECTION 71. It being immediately necessary for the preservation
6	of the public peace, health or safety, an emergency is hereby
7	declared to exist, by reason whereof this act shall take effect and
8	be in full force from and after its passage and approval.
9	
10	57-1-7593 SD 01/14 /19
11	
12	
13	
14	
15	
16	
17	
18	
19	
20	
21	
22	
23	
24	