Representative Don L. Ipson proposes the following substitute bill:

1	WORKERS' COMPENSATION COORDINATION OF
2	BENEFITS AMENDMENTS
3	2013 GENERAL SESSION
4	STATE OF UTAH
5	Chief Sponsor: Karen Mayne
6	House Sponsor: Don L. Ipson
7 8	LONG TITLE
9	General Description:
10	This bill amends the Insurance Code and the Utah Labor Code regarding payment of
11	medical claims when an employee is injured.
12	Highlighted Provisions:
13	This bill:
14	defines terms;
15	 beginning July 1, 2014, requires a health benefit plan to pay for medical benefits
16	otherwise covered by the health benefit plan if an application for hearing is filed
17	with the Labor Commission and while a workers' compensation claim is being
18	adjudicated;
18a	Ĥ→ <u>exempts an insurer with less than 2% market share in the state from the</u>
18b	requirements of the bill; ←Ĥ
19	 includes the Public Employees' Benefit and Insurance Program as a health insurer
20	subject to paying medical claims for an injured worker while a workers'
21	compensation claim is being adjudicated;
22	requires the Labor Commission to notify:
23	• an injured employee of the employee's right to health insurance coverage while
24	a workers' compensation claim is pending; and
25	 a health insurer of an employee's application for hearing;



2nd Sub. S.B. 59

- ► provides that a health benefit plan may, at its option, provide notice to the Labor Commission of the health benefit plan's payment of a medical claim that is being adjudicated under workers' compensation;
- if the Labor Commission issues a final order or approves a settlement agreement that finds the medical claim is compensable as a workers' compensation claim, requires the workers' compensation carrier to reimburse:
- the health benefit plan for the compensable medical claims plus 8% per annum interest unless in settlement negotiations the health insurer agrees to waive any part of the compensation; and
- the employee for out-of-pocket expenses associated with the compensable medical claim plus 8% per annum interest;
- ▶ prohibits a health care provider who received payment from a health benefit plan from seeking additional reimbursement for the same medical claim from the workers' compensation carrier if a final order or settlement agreement of the Labor Commission determines that the claim is compensable as a workers' compensation claim;
- ▶ prohibits a health benefit plan from using automatic recovery or seeking reimbursement from a health care provider for a medical claim paid by the health benefit plan if the health benefit plan is reimbursed by a workers' compensation carrier;
- ▶ if a workers' compensation carrier is required to reimburse a health benefit plan for a medical claim paid by the health benefit plan, the workers' compensation carrier may not seek reimbursement from a health care provider for the payment to the health benefit plan;
- ► assesses a penalty on a workers' compensation carrier if the workers' compensation carrier does not reimburse a health benefit plan or employee within a certain period of time after an order issued by the Labor Commission is final;
- requires the Labor Commission to report to the Utah Insurance Department if a workers' compensation carrier fails to reimburse a health benefit plan or employee within a certain period of time;
 - deposits the penalties collected by the Labor Commission into the Uninsured

57	Employers' Fund;
58	makes technical changes; and
59	sunsets the coordination of benefits.
60	Money Appropriated in this Bill:
61	None
62	Other Special Clauses:
63	This bill takes effect on July 1, 2014.
64	Utah Code Sections Affected:
65	AMENDS:
66	34A-2-704, as last amended by Laws of Utah 2012, Chapter 369
67	63I-1-231, as last amended by Laws of Utah 2011, Chapters 199, 240, and 400
68	63I-1-234, as last amended by Laws of Utah 2011, Chapter 15
69	ENACTS:
70	31A-22-619.6 , Utah Code Annotated 1953
71	34A-2-213 , Utah Code Annotated 1953
72	
73	Be it enacted by the Legislature of the state of Utah:
	Be it enacted by the Legislature of the state of Utah: Section 1. Section 31A-22-619.6 is enacted to read:
73	
73 74	Section 1. Section 31A-22-619.6 is enacted to read:
737475	Section 1. Section 31A-22-619.6 is enacted to read: 31A-22-619.6. Coordination of benefits with workers' compensation claim
73 74 75 76	Section 1. Section 31A-22-619.6 is enacted to read: 31A-22-619.6. Coordination of benefits with workers' compensation claim Health insurer's duty to pay.
73 74 75 76 77	Section 1. Section 31A-22-619.6 is enacted to read: 31A-22-619.6. Coordination of benefits with workers' compensation claim Health insurer's duty to pay. (1) As used in this section:
73 74 75 76 77 78	Section 1. Section 31A-22-619.6 is enacted to read: 31A-22-619.6. Coordination of benefits with workers' compensation claim Health insurer's duty to pay. (1) As used in this section: (a) "Employee" means an employee, worker, or operative as defined in Section
73 74 75 76 77 78 79	Section 1. Section 31A-22-619.6 is enacted to read: 31A-22-619.6. Coordination of benefits with workers' compensation claim Health insurer's duty to pay. (1) As used in this section: (a) "Employee" means an employee, worker, or operative as defined in Section 34A-2-104.
73 74 75 76 77 78 79 80	Section 1. Section 31A-22-619.6 is enacted to read: 31A-22-619.6. Coordination of benefits with workers' compensation claim Health insurer's duty to pay. (1) As used in this section: (a) "Employee" means an employee, worker, or operative as defined in Section 34A-2-104. (b) "Employer" is as enumerated and defined in Section 34A-2-103.
73 74 75 76 77 78 79 80 81	Section 1. Section 31A-22-619.6 is enacted to read: 31A-22-619.6. Coordination of benefits with workers' compensation claim Health insurer's duty to pay. (1) As used in this section: (a) "Employee" means an employee, worker, or operative as defined in Section 34A-2-104. (b) "Employer" is as enumerated and defined in Section 34A-2-103. (c) "Health benefit plan":
73 74 75 76 77 78 79 80 81 82	Section 1. Section 31A-22-619.6 is enacted to read: 31A-22-619.6. Coordination of benefits with workers' compensation claim Health insurer's duty to pay. (1) As used in this section: (a) "Employee" means an employee, worker, or operative as defined in Section 34A-2-104. (b) "Employer" is as enumerated and defined in Section 34A-2-103. (c) "Health benefit plan": (i) is as defined in Section 31A-1-301; Ĥ→ [and] ←Ĥ
73 74 75 76 77 78 79 80 81 82 83	Section 1. Section 31A-22-619.6 is enacted to read: 31A-22-619.6. Coordination of benefits with workers' compensation claim Health insurer's duty to pay. (1) As used in this section: (a) "Employee" means an employee, worker, or operative as defined in Section 34A-2-104. (b) "Employer" is as enumerated and defined in Section 34A-2-103. (c) "Health benefit plan": (i) is as defined in Section 31A-1-301; Ĥ→ [and] ←Ĥ (ii) includes:
73 74 75 76 77 78 79 80 81 82 83 84	Section 1. Section 31A-22-619.6 is enacted to read: 31A-22-619.6. Coordination of benefits with workers' compensation claim Health insurer's duty to pay. (1) As used in this section: (a) "Employee" means an employee, worker, or operative as defined in Section 34A-2-104. (b) "Employer" is as enumerated and defined in Section 34A-2-103. (c) "Health benefit plan": (i) is as defined in Section 31A-1-301; Ĥ→ [and] ←Ĥ (ii) includes: (A) a health maintenance organization;

88	<u>49-20-103</u> Ĥ→ ; and
88a	(iii) excludes a health benefit plan offered by an insurer that has a market share in the
88b	state's fully insured market that is less than 2%, as determined in the department's annual
88c	Market Share Report published by the department $\leftarrow \hat{H}$.
89	(d) "Workers' compensation carrier" means any of the entities an employer may use to
90	provide workers' compensation benefits for its employees under Section 34A-2-201.
91	(e) "Workers' compensation claim" means a claim for compensation for medical
92	benefits under Title 34A, Chapter 2, Workers' Compensation Act, or Title 34A, Chapter 3,
93	Utah Occupational Disease Act.
94	(2) (a) For medical claims incurred on or after July 1, 2014, an employee's health
95	benefit plan may not delay or deny payment of benefits due to the employee under the terms of
96	a health benefit plan by claiming that treatment for the employee's injury or disease is the
97	responsibility of the employer's workers' compensation carrier if:
98	(i) the employee or a health care provider on behalf of an employee files an application
99	for hearing regarding the workers' compensation claim with the Division of Adjudication under
100	Section 34A-2-801; and
101	(ii) the health benefit plan received a notice from the Labor Commission that an
102	application for hearing was filed in accordance with Subsection (2)(a)(i).
103	(b) The Labor Commission shall provide the notice required by Subsection (2)(a)(ii) in
104	accordance with Subsection 34A-2-213(2).
105	(3) A health benefit plan that receives a medical claim from the employee or a health
106	care provider and a notice from the Labor Commission in accordance with Subsection (2):
107	(a) shall pay the medical claim directly to the health care provider in the dollar amount
108	paid under the limits, terms, and conditions of the employee's health benefit plan; and
109	(b) may send a notice to the Labor Commission or the attorney for the injured worker
110	informing the parties that the health benefit plan paid a claim under the provisions of this
111	section.
112	(4) If the claims for medical services paid pursuant to Subsection (3) are determined to
113	be compensable by the workers' compensation carrier in a final order or under the terms of a
114	settlement agreement under Section 34A-2-801, the workers' compensation carrier shall pay the
115	health benefit plan and employee in accordance with Subsection 34A-2-213(3)(b).
116	(5) (a) A health care provider who receives payment for a medical claim from a health
117	benefit plan under the provisions of Subsection (3) may not request additional payment for the

medical claim from the workers' compensation carrier if the final order or terms of the

119	settlement agreement under Section 34A-2-801 determine that the medical claim was
120	compensable by the workers' compensation carrier.
121	(b) A health benefit plan that is reimbursed under the provisions of Subsection
122	34A-2-213(3) for a medical claim may not seek reimbursement or autorecovery from the health
123	care provider for any difference between the amount of the claim paid by the health benefit
124	plan and the reimbursement to the health benefit plan by the workers' compensation carrier
125	under Subsection 34A-2-213(3).
126	(c) If a final order of the Labor Commission or the terms of a settlement agreement
127	under Section 34A-2-801 determines that a medical claim is compensable by the workers'
128	compensation carrier, the workers' compensation carrier may not seek reimbursement or
129	autorecovery from a health care provider for any part of the medical claim that is the
130	responsibility of the workers' compensation carrier under the order or settlement agreement.
131	(6) This section sunsets in accordance with Section 63I-1-231.
132	Section 2. Section 34A-2-213 is enacted to read:
133	34A-2-213. Coordination of benefits with health benefit plan Timely payment of
134	claims.
135	(1) (a) This section applies if:
136	(i) a health benefit plan paid medical claims under Section 31A-22-619.6; and
137	(ii) the Labor Commission issued an order or approved the terms of a settlement
138	agreement under Section 34A-2-801, which:
139	(A) found that the medical claims are compensable under Title 34A, Chapter 2,
140	Workers' Compensation Act, or Title 34A, Chapter 3, Utah Occupational Disease Act; and
141	(B) is final under Section 34A-2-801.
142	(b) For purposes of this section, "workers' compensation carrier" means any of the
143	entities an employer may use to provide workers' compensation benefits for its employees
144	under Section 34A-2-201.
145	(2) (a) The Labor Commission shall provide a health benefit plan with notice that an
146	application for hearing has been filed in accordance with Subsection 31A-22-619.6(2)(a)(i) if
147	either the employee or a health care provider requests that the commission send the notice.
148	(b) The Labor Commission shall prepare and provide notice to an injured employee of
149	the employee's right to payment by the employee's health benefit plan under Section

150	31A-22-619.6. The notice provided under this Subsection (2) shall include the process the
151	employee shall follow to obtain payment from a health benefit plan for a medical claim that is
152	the subject of an application for hearing under Section 34A-2-801.
153	(3) (a) The Labor Commission shall, within three business days after the date on which
154	the order or approval of the terms of a settlement agreement is signed by the administrative law
155	judge under Section 34A-2-801, send a copy of the order or terms of the settlement agreement
156	<u>to:</u>
157	(i) a health benefit plan that made payments under Section 31A-22-619.6;
158	(ii) the workers' compensation carrier; and
159	(iii) the injured worker.
160	(b) The workers' compensation carrier shall, within 15 business days after the day on
161	which the Labor Commission's order or settlement agreement is final under the provisions of
162	Section 34A-2-801, pay:
163	(i) the health benefit plan, in the amount the plan paid to the health care provider for
164	medical claims that are compensable under the order or the terms of the settlement agreement,
165	plus interest accrued at the rate of 8% per annum from the date the health benefit plan paid the
166	medical claims until the date the workers' compensation carrier reimburses the health benefit
167	plan, unless, in settlement negotiations, the health benefit plan agreed to waive, in whole or in
168	part, reimbursement for medical claims paid, interest accrued, or both; and
169	(ii) the employee, in the amount of:
170	(A) any co-payments, coinsurance, deductibles, or other out-of-pocket expenses paid or
171	incurred by the employee; and
172	(B) interest accrued at the rate of 8% per annum from the date the employee paid the
173	expenses described in Subsection (3)(b)(ii)(A) until the date the workers' compensation carrier
174	reimburses the employee.
175	(4) If the Labor Commission determines that a workers' compensation carrier did not
176	make the payment required by Subsection (3) within the time period required in Subsection (3)
177	the commissioner shall:
178	(a) assess and collect a penalty from the workers' compensation carrier in:
179	(i) the amount of \$500 for failure to pay the amount required by Subsections (3)(b)(i)
180	and (ii) within the period of time required by Subsections (3)(b)(i) and (ii): and

181	(ii) an additional amount of \$500 for each calendar month:
182	(A) that accrues after the penalty is assessed under Subsection (4)(a)(i); and
183	(B) for which the amount required by Subsections (3)(b)(i) and (ii) are not paid;
184	(b) deposit any penalties collected under this Subsection (4) into the Uninsured
185	Employers' Fund created in Section 34A-2-704; and
186	(c) notify the Utah Insurance Department of the workers' compensation carrier's failure
187	to pay the health benefit plan or the employee in accordance with this section.
188	(5) The penalty imposed by Subsection (4) is in addition to any action taken or penalty
189	imposed by the Utah Insurance Department under Title 31A, Insurance Code.
190	(6) The commission may adopt administrative rules in accordance with Title 63G,
191	Chapter 3, Utah Administrative Rulemaking Act, to:
192	(a) establish procedures for:
193	(i) assessing and collecting penalties under Subsection (4); and
194	(ii) providing notice as required by this section; and
195	(b) enforce the provisions of this section.
196	(7) This section sunsets in accordance with Section 63I-1-234.
197	Section 3. Section 34A-2-704 is amended to read:
198	34A-2-704. Uninsured Employers' Fund.
199	(1) (a) There is created an Uninsured Employers' Fund. The Uninsured Employers'
200	Fund has the purpose of assisting in the payment of workers' compensation benefits to a person
201	entitled to the benefits, if:
202	(i) that person's employer:
203	(A) is individually, jointly, or severally liable to pay the benefits; and
204	(B) (I) becomes or is insolvent;
205	(II) appoints or has appointed a receiver; or
206	(III) otherwise does not have sufficient funds, insurance, sureties, or other security to
207	cover workers' compensation liabilities; and
208	(ii) the employment relationship between that person and the person's employer is
209	localized within the state as provided in Subsection (20).
210	(b) The Uninsured Employers' Fund succeeds to money previously held in the Default
211	Indemnity Fund.

212	(c) If it becomes necessary to pay benefits, the Uninsured Employers' Fund is liable for
213	the obligations of the employer set forth in this chapter and Chapter 3, Utah Occupational
214	Disease Act, with the exception of a penalty on those obligations.
215	(2) (a) Money for the Uninsured Employers' Fund shall be deposited into the Uninsured
216	Employers' Fund in accordance with this chapter [and], Subsection 59-9-101(2), and
217	Subsection 34A-2-213(3).
218	(b) The commissioner shall appoint an administrator of the Uninsured Employers'
219	Fund.
220	(c) (i) The state treasurer is the custodian of the Uninsured Employers' Fund.
221	(ii) The administrator shall make provisions for and direct distribution from the
222	Uninsured Employers' Fund.
223	(3) Reasonable costs of administering the Uninsured Employers' Fund or other fees
224	required to be paid by the Uninsured Employers' Fund may be paid from the Uninsured
225	Employers' Fund.
226	(4) The state treasurer shall:
227	(a) receive workers' compensation premium assessments from the State Tax
228	Commission; and
229	(b) invest the Uninsured Employers' Fund to ensure maximum investment return for
230	both long and short term investments in accordance with Section 51-7-12.5.
231	(5) (a) The administrator may employ, retain, or appoint counsel to represent the
232	Uninsured Employers' Fund in a proceeding brought to enforce a claim against or on behalf of
233	the Uninsured Employers' Fund.
234	(b) If requested by the commission, the following shall aid in the representation of the
235	Uninsured Employers' Fund:
236	(i) the attorney general; or
237	(ii) the city attorney, or county attorney of the locality in which:
238	(A) an investigation, hearing, or trial under this chapter or Chapter 3, Utah
239	Occupational Disease Act, is pending;
240	(B) the employee resides; or
241	(C) an employer:
242	(I) resides; or

243	(II) is doing business.
244	(c) (i) Notwithstanding Title 63A, Chapter 3, Part 5, Office of State Debt Collection,
245	the administrator shall provide for the collection of money required to be deposited in the
246	Uninsured Employers' Fund under this chapter and Chapter 3, Utah Occupational Disease Act.
247	(ii) To comply with Subsection (5)(c)(i), the administrator may:
248	(A) take appropriate action, including docketing an award in a manner consistent with
249	Section 34A-2-212; and
250	(B) employ counsel and other personnel necessary to collect the money described in
251	Subsection (5)(c)(i).
252	(6) To the extent of the compensation and other benefits paid or payable to or on behalf
253	of an employee or the employee's dependents from the Uninsured Employers' Fund, the
254	Uninsured Employers' Fund, by subrogation, has the rights, powers, and benefits of the
255	employee or the employee's dependents against the employer failing to make the compensation
256	payments.
257	(7) (a) The receiver, trustee, liquidator, or statutory successor of an employer meeting a
258	condition listed in Subsection (1)(a)(i)(B) is bound by a settlement of a covered claim by the
259	Uninsured Employers' Fund.
260	(b) A court with jurisdiction shall grant a payment made under this section a priority
261	equal to that to which the claimant would have been entitled in the absence of this section
262	against the assets of the employer meeting a condition listed in Subsection (1)(a)(i)(B).
263	(c) The expenses of the Uninsured Employers' Fund in handling a claim shall be
264	accorded the same priority as the liquidator's expenses.
265	(8) (a) The administrator shall periodically file the information described in Subsection
266	(8)(b) with the receiver, trustee, or liquidator of:
267	(i) an employer that meets a condition listed in Subsection (1)(a)(i)(B);
268	(ii) a public agency insurance mutual, as defined in Section 31A-1-103, that meets a
269	condition listed in Subsection (1)(a)(i)(B); or
270	(iii) an insolvent insurance carrier.
271	(b) The information required to be filed under Subsection (8)(a) is:
272	(i) a statement of the covered claims paid by the Uninsured Employers' Fund; and

(ii) an estimate of anticipated claims against the Uninsured Employers' Fund.

- (c) A filing under this Subsection (8) preserves the rights of the Uninsured Employers' Fund for claims against the assets of the employer that meets a condition listed in Subsection (1)(a)(i)(B).
- (9) When an injury or death for which compensation is payable from the Uninsured Employers' Fund has been caused by the wrongful act or neglect of another person not in the same employment, the Uninsured Employers' Fund has the same rights as allowed under Section 34A-2-106.
- (10) The Uninsured Employers' Fund, subject to approval of the administrator, shall discharge its obligations by:
 - (a) adjusting its own claims; or
- (b) contracting with an adjusting company, risk management company, insurance company, or other company that has expertise and capabilities in adjusting and paying workers' compensation claims.
- (11) (a) For the purpose of maintaining the Uninsured Employers' Fund, an administrative law judge, upon rendering a decision with respect to a claim for workers' compensation benefits in which an employer that meets a condition listed in Subsection (1)(a)(i)(B) is duly joined as a party, shall:
- (i) order the employer that meets a condition listed in Subsection (1)(a)(i)(B) to reimburse the Uninsured Employers' Fund for the benefits paid to or on behalf of an injured employee by the Uninsured Employers' Fund along with interest, costs, and attorney fees; and
- (ii) impose a penalty against the employer that meets a condition listed in Subsection (1)(a)(i)(B):
 - (A) of 15% of the value of the total award in connection with the claim; and
 - (B) that shall be deposited into the Uninsured Employers' Fund.
- (b) An award under this Subsection (11) shall be collected by the administrator in accordance with Subsection (5)(c).
- (12) The state, the commission, and the state treasurer, with respect to payment of compensation benefits, expenses, fees, or disbursement properly chargeable against the Uninsured Employers' Fund:
 - (a) are liable only to the assets in the Uninsured Employers' Fund; and
- 304 (b) are not otherwise in any way liable for the making of a payment.

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305 (13) The commission may make reasonable rules for the processing and payment of a 306 claim for compensation from the Uninsured Employers' Fund. 307 (14) (a) (i) If it becomes necessary for the Uninsured Employers' Fund to pay benefits 308 under this section to an employee described in Subsection (14)(a)(ii), the Uninsured Employers' 309 Fund may assess all other self-insured employers amounts necessary to pay: 310 (A) the obligations of the Uninsured Employers' Fund subsequent to a condition listed 311 in Subsection (1)(a)(i)(B) occurring; 312 (B) the expenses of handling covered a claim subsequent to a condition listed in 313 Subsection (1)(a)(i)(B) occurring; 314 (C) the cost of an examination under Subsection (15); and 315 (D) other expenses authorized by this section. 316 (ii) This Subsection (14) applies to benefits paid to an employee of: 317 (A) a self-insured employer, as defined in Section 34A-2-201.5, that meets a condition 318 listed in Subsection (1)(a)(i)(B); or 319 (B) if the self-insured employer that meets a condition described in Subsection 320 (1)(a)(i)(B) is a public agency insurance mutual, a member of the public agency insurance 321 mutual. 322 (b) The assessments of a self-insured employer shall be in the proportion that the 323 manual premium of the self-insured employer for the preceding calendar year bears to the 324 manual premium of all self-insured employers for the preceding calendar year. 325 (c) A self-insured employer shall be notified of the self-insured employer's assessment 326 not later than 30 days before the day on which the assessment is due. 327 (d) (i) A self-insured employer may not be assessed in any year an amount greater than 328 2% of that self-insured employer's manual premium for the preceding calendar year. 329 (ii) If the maximum assessment does not provide in a year an amount sufficient to 330 make all necessary payments from the Uninsured Employers' Fund for one or more self-insured 331 employers that meet a condition listed in Subsection (1)(a)(i)(B), the unpaid portion shall be 332 paid as soon as money becomes available. 333 (e) A self-insured employer is liable under this section for a period not to exceed three

years after the day on which the Uninsured Employers' Fund first pays benefits to an employee

described in Subsection (14)(a)(ii) for the self-insured employer that meets a condition listed in

$\frac{330}{1000000000000000000000000000000000$	336	Subsection	(1)(a)(i)(B)
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- (f) This Subsection (14) does not apply to a claim made against a self-insured employer that meets a condition listed in Subsection (1)(a)(i)(B) if the condition listed in Subsection (1)(a)(i)(B) occurred before July 1, 1986.
- (15) (a) The following shall notify the division of any information indicating that any of the following may be insolvent or in a financial condition hazardous to its employees or the public:
 - (i) a self-insured employer; or
- (ii) if the self-insured employer is a public agency insurance mutual, a member of the public agency insurance mutual.
- (b) Upon receipt of the notification described in Subsection (15)(a) and with good cause appearing, the division may order an examination of:
 - (i) that self-insured employer; or
- (ii) if the self-insured employer is a public agency insurance mutual, a member of the public agency mutual.
 - (c) The cost of the examination ordered under Subsection (15)(b) shall be assessed against all self-insured employers as provided in Subsection (14).
 - (d) The results of the examination ordered under Subsection (15)(b) shall be kept confidential.
 - (16) (a) In a claim against an employer by the Uninsured Employers' Fund, or by or on behalf of the employee to whom or to whose dependents compensation and other benefits are paid or payable from the Uninsured Employers' Fund, the burden of proof is on the employer or other party in interest objecting to the claim.
 - (b) A claim described in Subsection (16)(a) is presumed to be valid up to the full amount of workers' compensation benefits claimed by the employee or the employee's dependents.
 - (c) This Subsection (16) applies whether the claim is filed in court or in an adjudicative proceeding under the authority of the commission.
 - (17) A partner in a partnership or an owner of a sole proprietorship may not recover compensation or other benefits from the Uninsured Employers' Fund if:
 - (a) the person is not included as an employee under Subsection 34A-2-104(3); or

367	(b) the person is included as an employee under Subsection 34A-2-104(3), but:
368	(i) the person's employer fails to insure or otherwise provide adequate payment of
369	direct compensation; and
370	(ii) the failure described in Subsection (17)(b)(i) is attributable to an act or omission
371	over which the person had or shared control or responsibility.
372	(18) A director or officer of a corporation may not recover compensation or other
373	benefits from the Uninsured Employers' Fund if the director or officer is excluded from
374	coverage under Subsection 34A-2-104(4).
375	(19) The Uninsured Employers' Fund:
376	(a) shall be:
377	(i) used in accordance with this section only for:
378	(A) the purpose of assisting in the payment of workers' compensation benefits in
379	accordance with Subsection (1); and
380	(B) in accordance with Subsection (3), payment of:
381	(I) reasonable costs of administering the Uninsured Employers' Fund; or
382	(II) fees required to be paid by the Uninsured Employers' Fund; and
383	(ii) expended according to processes that can be verified by audit; and
384	(b) may not be used for:
385	(i) administrative costs unrelated to the Uninsured Employers' Fund; or
386	(ii) an activity of the commission other than an activity described in Subsection (19)(a)
387	(20) (a) For purposes of Subsection (1), an employment relationship is localized in the
388	state if:
389	(i) (A) the employer who is liable for the benefits has a business premise in the state;
390	and
391	(B) (I) the contract for hire is entered into in the state; or
392	(II) the employee regularly performs work duties in the state for the employer who is
393	liable for the benefits; or
394	(ii) the employee is:
395	(A) a resident of the state; and
396	(B) regularly performs work duties in the state for the employer who is liable for the
397	benefits.

2nd Sub. (Salmon) S.B. 59

03-11-13 10:03 AM

398	(b) In accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act, the
399	commission shall by rule define what constitutes regularly performing work duties in the state.
400	Section 4. Section 63I-1-231 is amended to read:
401	63I-1-231. Repeal dates, Title 31A.
402	(1) Section 31A-2-208.5, Comparison tables, is repealed July 1, 2015.
403	(2) Section 31A-2-217, Coordination with other states, is repealed July 1, 2013.
404	(3) Section 31A-22-619.6, Coordination of benefits with workers' compensation
405	claimHealth insurer's duty to pay, is repealed on July 1, 2018.
406	Section 5. Section 63I-1-234 is amended to read:
407	63I-1-234. Repeal dates, Titles 34 and 34A.
408	(1) Title 34, Chapter 47, Worker Classification Coordinated Enforcement Act, is
409	repealed July 1, 2013.
410	(2) Section 34A-2-202.5 is repealed December 31, 2020.
411	(3) Section 34A-2-705 and Subsection 59-9-101(2)(c)(iv) are repealed July 1, 2013.
412	(4) Title 34A, Chapter 8a, Utah Injured Worker Reemployment Act, is repealed July 1,
413	2014.
414	(5) Section 34A-2-213, Coordination of benefits with health benefit plan Timely
415	payment of claims, is repealed July 1, 2018.
416	Section 6. Effective date.
417	This bill takes effect on July 1, 2014.