



## Legislative sessions have adjourned in multiple states this year.

### How has workers' compensation been impacted?

As indicated in Part 1 of this *Spotlight* two-part series, state legislatures did not undertake major workers' compensation reform initiatives this year. Instead the legislation passed in 2014 focused primarily on state-specific issues and cost drivers. [Click here](#) to read Part 1 regarding workers' compensation legislation passed in states in the first half of the alphabet, Alabama through Minnesota.

This final installment in the series reviews key workers' compensation legislation enacted in 2014 in the remaining states, Nebraska through Wyoming.

#### Nebraska

[Legislative Bill \(LB\) 961](#) was enacted and signed into law by Gov. Dave Heineman on April 16, 2014. This bill contained provisions affecting several issues, including workers' compensation. [Click here](#) for a summary of the sections of the bill pertaining to workers' compensation.

#### New Hampshire

With the passage of [Senate Bill 204](#) and [House Bill 1489](#), the New Hampshire legislature addressed concerns regarding workers' compensation coverage and benefits for public safety officers. Also passed was [House Bill 1309](#), which clarifies that the member of the workers' compensation appeals advisory board representing plaintiffs is appointed by the New Hampshire Association for Justice, instead of the New Hampshire Trial Law Association. An overview of these bills is [here](#).

#### New Mexico

[House Bill 126](#), titled the "Pharmacy Benefits Manager Regulation Act," was passed by the New Mexico legislature after Gov. Susana Martinez's office became involved and encouraged compromise. The legislation requires any person acting as a pharmacy benefits manager (PBM) to do the following:

- Become licensed by the New Mexico Office of Superintendent of Insurance (OSI), or they may not operate as a PBM in New Mexico.
- Comply with requirements for establishing maximum allowable cost pricing.
- Follow new requirements and restrictions when contracting with pharmacies.
- Comply with laws governing the audit of pharmacy records found in Section 61-11-18.2 of N.M. Statute.
- Pay fees in Section 59A-6-1 of N.M. Statute as assessed by OSI.

This bill became effective May 21, 2014.

## New York

On Jan. 10, 2014, Gov. Andrew Cuomo signed into law the [New York Commercial Goods Transportation Industry Fair Play Act](#). This act amends the state's labor and workers' compensation laws to establish that any driver injured possessing a state-issued driver's license and who transports goods in N.Y. while operating a commercial motor is presumed to be an employee of the commercial goods transportation contractor and not an independent contractor if injured on or after April 10, 2014, unless one of two tests is met. [Click here](#) for additional information regarding this bill.

## North Carolina

This year the North Carolina General Assembly passed two bills affecting workers' compensation. [Senate Bill 744, the Current Operations and Capital Improvements Appropriations Act of 2014](#), covered a wide range of issues, including workers' compensation. [Senate Bill 794](#) disapproved ten rules previously adopted by the North Carolina Industrial Commission, as the insurance industry objected to them and provided specific direction to the Industrial Commission to replace those rules. An overview of these bills is available [here](#).

## Ohio

[House Bill 493](#), a component of the Mid-Biennium Review (MBR) package that makes various revisions to Ohio's workers' compensation laws, was signed into law by Gov. John Kasich on June 16, 2014. This bill contains provisions affecting interstate claims and other-states coverage and garnered broad support from the Bureau of Workers' Compensation director and various business groups. [House Bill 341](#) was also signed into law, and it prohibits a controlled substance, like a Schedule II drug or one that contains opioids, from being prescribed or dispensed without review of the patient's information in the State Board of Pharmacy's Ohio Automated Rx Reporting System. [Click here](#) for a summary of these bills.

## Oklahoma

The Oklahoma legislature passed [House Bill 2909](#) and [House Bill 2994](#), both of which took effect Nov. 1, 2014. HB 2909 amended the state risk management program to remove the exception for workers' compensation risks. The state now provides workers' compensation risk management services for state agencies. HB 2994 amended Section 307.3 of Title 36 of the Oklahoma Statutes to exempt monies collected for or received from the Workers' Compensation Commission from the State Insurance Commissioner Revolving Fund. The bill facilitates cooperation and streamlines government services provided by these two agencies for insurance carriers and self-insured employers.

## Oregon

[Oregon House Bill 4104](#) amends and creates new provisions of Oregon Revised Statute 656.247 related to the payment of medical expenses by health benefit plans for services provided for injured workers prior to the acceptance or denial of a workers' compensation claim. [Click here](#) to view a summary of this bill.

[Oregon Administrative Rule 436-009-0035](#), part of the Oregon Medical Fee and Payment Rules, has been amended to make the rules that govern interim medical benefits consistent with Oregon Revised Statute 656.247 as amended by the aforementioned HB 4104.

## Pennsylvania

The Pennsylvania General Assembly passed three bills signed into law by Gov. Tom Corbett that are expected to help contain workers' compensation costs and ensure better claim outcomes. A summary of these bills is available [here](#).

A press release issued by the governor's office on Oct. 27, 2014, indicates that [Senate Bill 1180](#) and [House Bill 1846](#) fulfilled recommendations developed by the Heroin and Other Opioids Workgroup, which was convened to address the heroin and opioid prescription drug abuse problem in Pennsylvania.

[House Bill 2081](#) was approved and took effect on June 18, 2014. This bill mandates that the term "employee" excludes persons subject to coverage under the Longshore and Harbor Workers' Compensation Act (44 Stat. 1424, 33 U.S.C. Section 901 et seq.) or the Merchant Marine Act of 1920 (41 Stat. 988, 46 U.S.C. Section 861 et seq.).

## Rhode Island

During the course of this year's legislative session, a plethora of bills impacting workers' compensation were filed, although only four passed.

Rhode Island [House Bill 8282](#), and its companion Senate Bill 3053, is the annual omnibus bill vetted by the Workers' Compensation Advisory Council. This legislation provides for various changes to the jurisdiction, procedure and administration of the Rhode Island workers' compensation court. It also makes clarifying and technical changes throughout the bill. To view a summary of all four enacted workers' compensation bills, [click here](#).

## South Carolina

South Carolina enacted [Senate Bill 826](#), which amended Section 38-73-55(C) of the South Carolina Code relating to random drug and alcohol testing procedures, to provide that a single sample may be split for use in the first and second tests if a second test is administered. The law became effective immediately upon the governor's approval on May 29, 2014.

## Tennessee

Tennessee passed two bills intended to help ensure that the Workers' Compensation Reform Act of 2013 operates as intended. [House Bill 1440](#) and [Senate Bill 2088](#) both became effective July 1, 2014. [Click here](#) for a summary of the significant provisions of these bills.

## Utah

During this session, Utah's state legislature enacted several bills that impact workers' compensation. All of these bills received the support of the Utah Workers' Compensation Advisory Council prior to introduction and advanced quickly. The council is comprised of voting and non-voting members appointed by the Labor Commissioner who represent both employers and employees. An overview of these bills is available [here](#).

## Vermont

[Senate Bill 220](#) was initially written as legislation to further economic development, but by the time of passage addressed other areas, specifically workers' compensation reform. The workers' compensation reform provisions are covered in Sections 50 through 66 of this 134-page bill. To review the significant provisions of the bill, [click here](#).

## Virginia

The Virginia General Assembly passed several bills impacting the handling of workers' compensation claims; all were signed into law by Gov. Terry McAuliffe and became effective July 1, 2014. Of those workers' compensation bills enacted, [House Bill 1083](#) was brought forward by employer groups, including the Virginia Automobile Dealers Association, when it became obvious that the medical fee schedule bill was unable to pass. To review highlights of HB 1083 and other workers' compensation legislation, [click here](#).

## Washington

In Washington, [Senate Bills 6137](#) became effective June 12, 2014, and imposes the following requirements on pharmacy benefit managers (PBMs):

- To conduct business in Washington, a PBM must register with the Department of Revenue's business licensing service and annually renew the registration.
- PBMs must comply with audit procedures.
- PBMs must follow requirements governing maximum allowable cost (MAC) standards and reimbursement appeal rights.
- A PBM is required to make a contract available to each network pharmacy at the beginning of the term and, upon renewal of a contract, the sources utilized to determine the MAC pricing of the PBM. Additionally, a PBM is mandated to update each list every seven business days and make the updated lists available to network pharmacies.

## Wyoming

Wyoming enacted [Senate File 51](#) which amended Sections 27-14-102(a)(viii) and 27-14-108(k) of the workers' compensation law. The amendment to Section 27-14-102(a)(viii) expands the definition of "employer" to include corporations, limited liability companies, partnerships or sole proprietorships, whether or not such entities have other employees covered by the law. Also, S-51 amends Section 27-14-108(k) to include the phrase "if it has other employees" when referencing employers' election of workers' compensation coverage. The law took effect July 1, 2014.

The Workers' Compensation Practice Group monitors workers' compensation legislation that passes throughout the year and will alert you when bills pass that impact workers' compensation claim handling.