

WORKERS' COMPENSATION COMPLIANCE

# Summary of legislative and regulatory changes

*June 2024*

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# Arizona

## *Senate Bill 1677*

On June 18, Arizona Gov. Katie Hobbs signed [Senate Bill 1677](#). Conditionally upon the U.S. Food and Drug Administration (FDA) approval of midomafetamine (also known as MDMA and ecstasy) by Dec. 31, 2025, this bill authorizes workers' compensation coverage to include one complete course of MDMA treatment for firefighters and certified peace officers diagnosed with post-traumatic stress disorder (PTSD) by a licensed mental health professional.

The bill is effective on Sept. 9 and requires the commission to submit a report of the costs of MDMA treatment for firefighters and certified peace officers to the joint legislative budget committee on or before Jan. 1, 2026, then annually.

According to the Joint Legislative Budget Committee (JLBC) fiscal note on this bill, requiring payment of MDMA-assisted therapy for firefighters and certified peace officers will increase workers' compensation coverage costs depending on the number of eligible firefighters and peace officers and the cost per patient.

On June 4, the FDA Psychopharmacologic Drugs Advisory Committee (PDAC) voted against supporting the effectiveness of MDMA in the treatment of adult patients with PTSD, relative to clinical trial data. While the FDA is not bound by the PDAC's guidance, this decision is anticipated to influence the final FDA decision expected by Aug. 11.

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# Colorado

## *Senate Bill 24-089*

On May 24, Gov. Jared Polis signed [Senate Bill 24-089](#), concerning the Colorado firefighter heart, cancer and behavioral health benefits trust. This bill removes the ability of most firefighter employers to select accident insurance, self-insurance or a self-insurance pool as options to provide statutorily required monetary benefits to a firefighter who has experienced a heart and circulatory malfunction. As a result, all firefighter employers — except for those exempted by the act — must participate in a multiple-employer health trust to provide such benefits. The act exempts firefighter employers that are cities and counties or municipalities with, as of July 2022, a population of 400,000 or more and have enacted an ordinance to provide the required monetary benefits that remain in effect as of April 30.

This legislation became effective upon signing.

## *Senate Bill 24-149*

Gov. Polis signed [Senate Bill 24-149](#) on June 7, and the measure became effective upon signing. This measure:

- Prohibits the state, when communicating with or reaching a settlement agreement with an employee of the state, from suggesting or requiring that the employee resign from employment or refrain from seeking employment with the state in the future.
- Requires the State of Colorado to inquire every three years whether Pinnacle Assurance and at least five other insurance companies have interest in assuming self-insurance liabilities of the state and to provide detailed reports to the general assembly regarding costs, coverage and trends in self-insurance expenses compared to previous years.

## *House Bill 24-1220*

On June 4, Gov. Polis signed [House Bill 24-1220](#), which makes various changes to Colorado workers' compensation law. Key changes include:

- Creates an additional exception under which an employee's refusal to accept modified employment does not constitute responsibility for termination, an offer of modified employment that requires the claimant to drive and an authorized treating physician has restricted the claimant from driving.
- Adds the loss of an ear to the list of whole-person permanent impairment Permanent Partial Disability (PPD) benefits.

- Requires the insurer or employer to deposit all temporary and permanent disability benefits owed to the claimant into a specified account at any bank, savings and loan association, credit union or other financial institution authorized to receive deposits in the U.S. if a claimant has voluntarily authorized direct deposit.
- Effective Jan. 1, 2025:
  - The benefit cap on combined temporary disability and permanent partial disability benefits for injured workers with an impairment rating of 19% or less increased to \$185,000 from \$75,000.
  - The benefit cap on combined temporary disability and permanent partial disability benefits for injured workers with an impairment rating greater than 19% increased to \$350,000 from \$150,000.
  - Reaffirms the Director’s authority and obligation to annually adjust compensation limits based on the percentage of adjustments made to the state average weekly wage (SAWW).

Unless otherwise indicated, the provisions of this bill become effective Aug. 7.

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# Connecticut

## *Senate Bill 407*

On June 5, Gov. Ned Lamont signed [Senate Bill 407](#), which establishes a task force to study workers' compensation coverage for students of regional agricultural science and technology education centers who are enrolled in:

- 1) A public work-study, as defined and approved by the Commissioner of Education and the labor commissioner or a program established pursuant to section 10-20a of the general statutes, or
- 2) An internship, as defined in section 31-23 of the general statutes.

The task force is required to submit a report on its findings and recommendations to the joint standing committee of the general assembly no later than Jan. 1, 2025. This task force terminates on the date that it submits the final report or on Jan. 1, 2025, whichever is later.

# Florida

## *Senate Bill 362/House Bill 161*

Gov. Ron DeSantis on June 14, signed [Senate Bill 362/House Bill 161](#). Effective Jan. 1, 2025, this bill increases:

- The maximum reimbursement allowances (MRA) for physicians licensed under Chapter 458 or Chapter 459 from 110% to 175% of the reimbursement amount allowed by Medicare.
- The MRA for surgical procedures from 140% to 210% of the reimbursement amount allowed by Medicare.
- The maximum hourly amount allowed for expert witnesses to \$300 per hour. If an expert witness is subject to the daily rate, the maximum amount allowed is increased to \$300 per day.

Reportedly, an [analysis of the bill](#) by the National Council on Compensation Insurance (NCCI) determined that changing these MRAs will increase workers' compensation rates by 6.9%. NCCI expects any rate increase due to the change in witness fees to be minimal.

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# Georgia

## *House Bill 451*

Gov. Brian Kemp signed [House Bill 451](#), cited as the “Ashley Wilson Act,” into law on May 1. Ashley Wilson is a Gwinnett County police officer whose partner died as a result of gunshot wounds suffered in the line of duty.

This bill now requires that all public entities in Georgia offer the following benefits for eligible first responders clinically diagnosed by a qualified diagnostician with post-traumatic stress disorder (PTSD):

- One lump sum benefit per lifetime of \$3,000 payable to the first responder upon receipt of acceptable proof of a clinical diagnosis.
- Monthly income replacement disability benefits equal to 60% of the first responder’s monthly salary, up to \$5,000 a month, for up to 36 months that begin 90 days after the date the covered condition first precludes return to work as a first responder as a result of the PTSD. Volunteer first responders would be covered at a lower monthly rate.

Eligible first responders include:

- Communication officer
- Correctional officer
- Emergency medical professional
- Emergency medical technician
- Firefighter
- Highway emergency response operator
- Jail officer
- Juvenile correctional officer
- Peace officer
- Probation officer
- Law enforcement officer with the Department of Natural Resources.

An insurer providing income replacement disability benefits may require any first responder receiving such benefits to have his or her condition reevaluated by a qualified diagnostician selected by the insurer. Benefits



cease in the event any such reevaluation reveals that the first responder has regained the ability to perform the duties previously performed as a first responder.

This bill authorizes the governing authority of any county, municipality or consolidated government to use available revenues, including but not limited to specified proceeds from county and municipal taxes for purposes of providing this insurance.

The legislation becomes effective Jan. 1, 2025.

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# Hawaii

## *House Bill 1889/Senate Bill 2231*

[House Bill 1889/Senate Bill 2231](#) became effective upon approval by Gov. Josh Green on June 27. This measure expands workers' compensation medical benefits for firefighters to include coverage for breast cancer and cancer of the female reproductive organs.

The legislation covers claims filed by an employee with five or more years of service as a firefighter.

## *Senate Bill 1944*

On June 27, Gov. Josh Green also signed [House Bill 1944](#), which permits employees to obtain the following medical care or services within the first 60 days after an injury without a treatment plan:

- One magnetic resonance imaging (MRI) of the cervical or lumbar spine if the employee's attending physician determines that the employee has objective indicia of radicular symptoms that could reasonably have been caused by injury to the spine or the employee has objective traumatic injury or neurological symptoms shown by an x-ray or computed tomography (CT) scan.
- One consultation with an orthopedic or neurologic specialist if the attending physician reasonably determines that the opinion or advice of a specialist should be obtained for the evaluation and treatment of the employee's injury. The specialist must provide written notice of the consultation to the employer within seven days of the consultation and a written report within 14 days of the consultation.

The stated purpose of this bill that becomes effective July 1 is to expedite the diagnosis of and streamline medical treatment for serious injuries to the cervical or lumbar spine.

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# Louisiana

## *House Bill 200*

On June 25, [House Bill 200](#) became law without the signature of Gov. Jeff Landry. This bill prohibits recovery of past due payment of workers' compensation premiums from an insured arising out of a claim for the misclassification of an employee unless the insurer provides written notice within 90 days of the completion of a payroll audit. Additionally, an insurer is not allowed to modify or complete a payroll audit more than three years after the end of the policy period, with exceptions.

## *House Bill 326*

[House Bill 326](#) was signed by Gov. Jeff Landry on June 19. This legislation provides that the development of hearing loss, while employed in the division of state police, is considered an occupational disease that is presumed to have been caused by or to have resulted from hazardous noise exposure when diagnostic hearing testing reveals a decrease of 10 decibels or more for the frequencies that the Occupational Safety and Health Administration (OSHA) monitors for noise exposure from the baseline audiological evaluation.

The presumption is rebuttable by a preponderance of evidence.

The bill is effective Aug. 1.

# Nevada

## *Changes in fines and record request processes*

On June 28, the Nevada Division of Industrial Relations (DIR) Workers' Compensation Section issued a [memorandum](#) announcing a graduated fine schedule for failure to comply with the workers compensation laws and regulations. The DIR also updated its procedure regarding requests for claims files.

### **Initial and subsequent violation schedule**

According to the memorandum, effective immediately when a new administrative fine is being imposed, the DIR Audit Unit will review prior administrative fines that have exceeded the appeal timeframe (30 days from the date of issuance) or have completed the appeal process, to determine the appropriate amount for the new Administrative Fine.

- Initial violations will be assessed at \$375 per violation.
- Second offenses will be assessed at \$750 per violation.
- Third offenses will be assessed at \$1,500 per violation.
- Fourth and subsequent offenses will be assessed at \$3,000 per violation.

### **Consequences for noncompliance with requests for records**

In addition, DIR has updated its procedure regarding requests to insurers and TPAs for claim files and other records due to ongoing non-compliance concerns pertaining to the timely delivery of requested records.

Requests for records will be sent via email and/or mail with a due date ranging from two to 30 days clearly defined. Should additional time be needed, requests must be made prior to the due date. In the event the due date expires and requested records are not provided, a Monetary Assessment (Administrative Fine) will be issued following the initial and subsequent violation schedule. If records are requested after the initial records request was made, the due date will be two to five days. Only three requests will be made.

For complaints from injured workers, a Benefit Penalty will be issued if compliance is not obtained after the third request. For records requests associated with audits of insurers, an administrative fine will be imposed for failure to comply using the graduated fee schedule.

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# Rhode Island

## *Senate Bill 2059*

[Senate Bill 2059](#) became effective on June 20 without the governor's signature. The bill extends the line-of-duty presumption of compensability for police officers and firefighters who seek salary payment during line-of-duty illness or injury benefits to a police officer or firefighter:

- Acting within the course of their employment, or
- From rendering emergency assistance in the state of Rhode Island at any occurrence involving the protection or the rescue of human life while off duty.

To be eligible, post-traumatic stress disorder (PTSD) must be diagnosed by a licensed mental health professional with a master's degree or higher.

This benefit is not extended to a police or firefighter if their PTSD arises out of any disciplinary action, work evaluation, job transfer, layoff, demotion, termination or similar adverse job actions.

## *Senate Bill 2472*

[Senate Bill 2472](#) amends the state workers' compensation law concerning filing requirements for independent contractors. This legislation was signed by Gov. Daniel McKee on June 17:

- Clarifies that the independent contractors must annually file a notice of designation for each hiring entity retaining their services.
- Specifies that the designation notice will lapse if an annual filing is not submitted after receipt of a 20-day notice issued by the director for failure to file the annual designation.

The law became effective upon signing.

## *House Bill 8262*

On June 17, Gov. McKee signed [House Bill 8262](#), this year's annual omnibus bill submitted on behalf of the workers' compensation advisory council.

- Effective Jan. 1, 2025, increases the dependency allowance added for total incapacity from \$15 to \$25 for each dependent and to \$40 for those receiving death benefits not to exceed 80% of the average weekly wage of the employee.

- Removes specific dollar amounts for direct payments to the court, or any of its judges, may in its discretion order the insurer or self-insurer to pay to dependents receiving benefits.
- Effective Jan. 1, 2025, modifies provisions for payment to an injured employee who accepts suitable alternative employment by reducing the weekly compensation rate to 62% of the difference between the pre-injury wage and the alternative employment wage.
- Requires the court, by agreement of the parties and upon petition by either the employee or the employer and/or its insurance carrier, to assign disputes over the reimbursement owed or the period of suspension going forward to the workers' compensation court's mediation program.
- Increases the additional dependent allowances from \$5 to \$25 per week for each child, wholly or partially dependent on the wages, earnings or salary of an injured employee suffering total incapacity who ceases to receive payment under Rhode Island temporary disability insurance, but not exceeding \$75 per week.

These provisions became effective upon the date the bill was signed on June 17.

# Vermont

## *House Bill 55*

On June 28, [House Bill 55](#) became law without the signature of the Governor. This bill amends miscellaneous unemployment, workers' compensation and employment practices laws.

Section 10 extends the rebuttable presumption that post-traumatic stress disorder (PTSD) that is diagnosed by a mental health professional was incurred during service in the line of duty and compensable to state employees, including:

- Facility employees of the Department of Corrections;
- Employees of the Department of Corrections who provide direct security or treatment services to offenders under supervision in the community;
- Classified employees of state-operated therapeutic community residences or inpatient psychiatric hospital units;
- Classified employees of public safety answering points;
- Classified employees of the Family Services Division of the Department for Children and Families;
- Classified employees of the Vermont Veterans' Home;
- Classified employees of the Department of State's Attorneys and Sheriffs, State's Attorneys, and employees of the Department of State's Attorneys and Sheriffs who are assigned to a State's Attorney's field office; and
- classified employees in the Criminal Division of the Attorney General's Office.

This section became effective upon enactment.

Section 13 of the bill requires the Commissioner of Financial Regulation on or before Feb. 1 of 2026, 2028 and 2030 to report to the Senate Committee on Economic Development, Housing and General Affairs and the House Committee on Commerce and Economic Development regarding:

- 1) The number of workers' compensation claims for cancer that were submitted by Vermont firefighters in the previous 24 months;
- 2) The number and percentage of those claims that were approved;
- 3) The types of cancer for which the claims were submitted; and

- 4) National trends with respect to workers' compensation claims for cancer submitted by firefighters during the previous 24 months, including, to the extent that information is available, the number of claims filed, the rate of claim approval, and, to the extent information is available, the types of cancer for which claims were submitted.

The Feb. 1, 2030, report is to include a recommendation regarding any legislative action needed to better address the occurrence of cancer among firefighters in Vermont.

**Section 14** provides that the Department of Public Safety, Division of Fire Safety will subsidize the cost of providing cancer screening to Vermont professional and volunteer firefighters, as well as all enrollees in the Vermont Fire Academy Firefighter I program during fiscal year 2025.

Sections 13 and 14 will take effect on July 1.

The information contained within this document is intended to provide summary level information on proposed or enacted laws related to family and medical leave. It is not intended to provide guidance on the application of these legal requirements or as an update to your company's attendance and/or leave policies. We recommend you consult with legal counsel to determine what changes, if any, should be applied to company policy.

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