

FILED FEB 10 1987

SENATE FILE 150
BY STURGEON

Passed Senate, Date _____ Passed House, Date _____
Vote: Ayes _____ Nays _____ Vote: Ayes _____ Nays _____
Approved _____

A BILL FOR

1 An Act allowing employees to choose the care given under workers'
2 compensation medical benefits.

3 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

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SF 150

1 Section 1. Section 85.27, unnumbered paragraph 4, Code
2 1987, is amended to read as follows:

3 For purposes of this section, the employer ~~is-obliged-to~~
4 shall furnish reasonable services and supplies to treat an
5 injured employee, and ~~has-the-right-to~~ the employee may choose
6 the care. ~~The-treatment-must-be-offered-promptly-and-be~~
7 ~~reasonably-suited-to-treat-the-injury-without-undue~~
8 ~~inconvenience-to-the-employee-~~ If the employee employer has
9 reason to be dissatisfied with the care offered given, the
10 ~~employee-should~~ the employer shall communicate in writing the
11 basis of ~~such~~ the dissatisfaction to the employer, ~~in-writing~~
12 ~~if-requested~~ employee, following which the employer and the
13 employee may agree to alternate care reasonably suited to
14 treat the injury. If the employer and employee cannot agree
15 on such alternate care, the commissioner may, upon application
16 and reasonable proofs of the necessity therefor for it, allow
17 and order other care. ~~In-an-emergency,-the-employee-may~~
18 ~~choose-the-employee's-care-at-the-employer's-expense,-provided~~
19 ~~the-employer-or-the-employer's-agent-cannot-be-reached~~
20 ~~immediately-~~

21 EXPLANATION

22 This bill allows an employee to choose the employee's own
23 practitioner for medical services as the result of an injury
24 which is job related.

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STATE OF IOWA

FISCAL NOTE TO
SENATE FILE 150

LSB No. 1733S
Staff ID. DPW

REQ. BY SENATOR STURGEON

In compliance with a written request received February 9, 1987, a fiscal note for SENATE FILE 150 is hereby submitted pursuant to Joint Rule 17. Data used in developing this fiscal note are available from the Legislative Fiscal Bureau to members of the Legislature upon request.

Senate File 150 allows an employee to choose the employee's own practitioner for medical services as the result of an injury which is job related.

ASSUMPTIONS

1. This bill would result in increased staff time required to administer the additional medical claim cost review, negotiation with employees to change physicians/treatment plans, and to process industrial commission appeals.
2. Expenditures for medical claims have increased an average of 11% per year for the past six years and this would increase to 20% per year due a loss of medical claims cost control.

FISCAL EFFECT

Cost estimates are presented below for both the increased claims and staff which would result from this bill.

Costs of Worker's Compensation Claims
(\$ 000 omitted)

	Fiscal Year 1988			Fiscal Year 1989		
	Current Law	Proposed Law	Increase (Decrease)	Current Law	Proposed Law	Increase (Decrease)
EXPENDITURES						
Claims	\$ 4,506.7	\$ 5,408.0	\$ 901.3	\$ 4,952.3	\$ 5,942.8	\$ 990.5
Salaries	74.9	94.3	19.4	79.4	100.1	20.7
Total	\$ 4,581.6	\$ 5,502.3	\$ 920.7	\$ 5,031.7	\$ 6,042.9	\$ 1,011.2

This bill could also result in increased use of sick leave since employee has the right to supplement with worker's compensation, which would result in lost time for state agencies.

(Source: Iowa department of personnel)

(LSB 1733S, DPW)

Dennis Kersty
Fiscal Director
Legislative Fiscal Bureau
Date: 2/16/87

Filed by the Sec. of the Senate February 17, 1987