

WORKERS' COMPENSATION DIVISION[876]

Regulatory Analysis

Notice of Intended Action to be published: 876—Chapter 2
“General Provisions”

Iowa Code section(s) or chapter(s) authorizing rulemaking: 10A.310(1)“a,” 17A, and Executive Order 10

State or federal law(s) implemented by the rulemaking: Iowa Code chapters 10A, 85 through 85B, and 87

Public Hearing

A public hearing at which persons may present their views orally or in writing will be held as follows:

November 3, 2026
1 p.m.

6200 Park Avenue
Des Moines, Iowa
Via videoconference call:
[dial-iowa-gov.zoom.us/j/81654334225?](https://dial-iowa-gov.zoom.us/j/81654334225?pwd=5JUj7K10vOhVPFGUp2QWlyI2imRXx9.1)
[pwd=5JUj7K10vOhVPFGUp2QWlyI2imRXx9.1](https://dial-iowa-gov.zoom.us/j/81654334225?pwd=5JUj7K10vOhVPFGUp2QWlyI2imRXx9.1)

Public Comment

Any interested person may submit written or oral comments concerning this Regulatory Analysis, which must be received by the Workers' Compensation Division no later than 4:30 p.m. on the date of the public hearing. Comments should be directed to:

William Grell
Interim Workers' Compensation Commissioner
Iowa Workers' Compensation Division
6200 Park Avenue, Suite 100
Des Moines, Iowa 50321
Phone: 515.829.5993
Email: william.grell@dia.iowa.gov

Purpose and Summary

The purpose of proposed Chapter 2 is as follows.

- **Rule 876—2.1(10A):** The purpose of this proposed rule is to provide flexibility for injured workers, employers, insurers, the Workers' Compensation Commissioner, and Deputy Commissioner(s) to allow for compliance with any rule. It prevents the rules from being overly punitive should good cause be shown. This proposed rule allows the Commissioner or a Deputy Commissioner to modify the time to comply with any rule if an individual shows good cause.

- **Rule 876—2.2(85,85A,85B,10A,87):** The purpose of this proposed rule is to refer stakeholders to sections of the statute to which the rules apply.

- **Rule 876—2.3(10A,87):** The purpose of this proposed rule is to require insurance companies to have an individual located in Iowa who is knowledgeable of Iowa's workers' compensation laws and rules with the responsibility to expedite the handling of all matters within the scope of Iowa law. It also requires that the Commissioner be advised as to the identity and contact information for

this person. This provides the Division with clarity as to whom to contact in the event of questions, compliance issues, etc.

- **Rule 876—2.4(85,10A):** The purpose of this proposed rule is to provide clarity to stakeholders as to which edition of the AMA Guides to the Evaluation of Permanent Impairment applies to the evaluation of permanent partial disabilities of injured workers. This proposed rule is implementing a statutory requirement in Iowa Code section 85.34(2).

- **Rule 876—2.5(85,85A,85B,10A):** The purpose of this proposed rule is to streamline and simplify a filing system for documents to be filed with the Division. It allows for easier access to filings in contested cases and for an exception to electronic filing in certain cases. This allows all filings to be kept electronically rather than on unwieldy paper files that require additional space. Keeping these files electronically also adds another layer of security since access is restricted to only certain users.

- **Rule 876—2.6(85,85A,85B,10A):** The purpose of this proposed rule to provide that a final report of the injury, also known as a Subsequent Report of Injury (SROI), is filed with the Division and also sent to an injured worker after the conclusion of the injured worker's case. This gives both the Division and the injured worker required information as to the conclusion of the matter.

- **Rule 876—2.7(10A):** The purpose of this proposed rule is to maintain a centralized official record of a contested case, which allows parties and the Division to easily access filed materials and information about a particular contested case. It also allows for easier conveyance of a certified record of a contested case should that matter be appealed to a district court or appeals court.

- **Rule 876—2.8(10A):** The purpose of this proposed rule is to provide details to parties to a contested case proceeding before the Division as to the requirements for documents filed electronically. This provides clarity to parties so that there are no issues with filing documents. It also creates efficiency for the Division since filed documents are easily accessible for parties and employees of the Division.

The reference to 876—subrule 3.1(2) is to that subrule as published concurrently herein (**RA 26-338**, IAB 10/14/26).

Analysis of Impact

1. Persons affected by the proposed rulemaking:

- **Classes of persons that will bear the costs of the proposed rulemaking:**

There is a filing fee of \$125 for filing an original notice and petition, which is the petitioner's initial responsibility. In some instances, that fee is recoverable as a cost taxed to the defendant(s). There may also be costs to employers and insurance carriers associated with printing and mailing required documentation to injured workers. Finally, there are costs associated with obtaining opinions regarding permanent impairment from medical providers; however, this is standard in workers' compensation claims in most states. Additionally, the injured worker can generally recover the cost of obtaining a medical opinion under other portions of Iowa law.

- **Classes of persons that will benefit from the proposed rulemaking:**

Injured workers, employers, and insurance carriers benefit from this proposed rulemaking because it provides for flexibility in timeline requirements, which can result in the parties reaching a settlement agreement prior to a contested case hearing. The same parties benefit from the clarity and consistency of knowing which edition of the AMA Guides to the Evaluation of Permanent Impairment is applicable in Iowa for permanent impairment ratings. Additional benefits include the ease of the electronic filing system, which will allow for easier case management, streamlined filing, and less storage space for paper files. There is also benefit to the staff within the Division because the electronic system allows for easy remote access to file materials, as well as minimizing the need for heavy physical files, because many contested cases involve submission of voluminous medical records.

2. Impact of the proposed rulemaking, economic or otherwise, including the nature and amount of all the different kinds of costs that would be incurred:

- **Quantitative description of impact:**

Not applicable.

- **Qualitative description of impact:**

Not applicable.

3. Costs to the State:

- **Implementation and enforcement costs borne by the agency or any other agency:**

The costs to the Division to implement and enforce these proposed rules involve regular salaries and benefits. The cost to maintain the electronic filing system is between \$99,000 and \$127,000 annually for the remainder of the contract with Tybera.

- **Anticipated effect on State revenues:**

There are no proposed changes to the agency's budget and no anticipated effect on State revenues.

4. Comparison of the costs and benefits of the proposed rulemaking to the costs and benefits of inaction:

The costs associated with this proposed rulemaking allow for the essential functioning of the Division, which is necessary to comply with Iowa law.

5. Determination whether less costly methods or less intrusive methods exist for achieving the purpose of the proposed rulemaking:

The restrictions and costs associated with these proposed rules promote efficiency of the Division and contested case proceedings and also protect Iowa workers and business owners. The restriction on using the Fifth Edition of the AMA Guides to the Evaluation of Permanent Impairment is based on a statutory requirement. Even if the Division did not use the required edition, Iowa Code section 85.34(2) would require the Division to adopt another edition of the AMA Guides to the Evaluation of Permanent Impairment. The Workers' Compensation Electronic System and maintenance of an electronic file allow for easier storage of file materials, pleadings, exhibits, and decisions. Having requirements for filing documents provides parties with clarity and ensures that documents filed electronically are safe to the State computer system.

6. Alternative methods considered by the agency:

- **Description of any alternative methods that were seriously considered by the agency:**

The agency has not identified any viable alternatives to these proposed rules.

- **Reasons why alternative methods were rejected in favor of the proposed rulemaking:**

The agency has not identified any viable alternatives to these proposed rules.

Small Business Impact

If the rulemaking will have a substantial impact on small business, include a discussion of whether it would be feasible and practicable to do any of the following to reduce the impact of the rulemaking on small business:

- Establish less stringent compliance or reporting requirements in the rulemaking for small business.

- Establish less stringent schedules or deadlines in the rulemaking for compliance or reporting requirements for small business.

- Consolidate or simplify the rulemaking's compliance or reporting requirements for small business.

- Establish performance standards to replace design or operational standards in the rulemaking for small business.

- Exempt small business from any or all requirements of the rulemaking.

If legal and feasible, how does the rulemaking use a method discussed above to reduce the substantial impact on small business?

Chapter 2 does not have a substantial impact on small business because the only costs imposed are mandated by statute. There is no legal basis to create less stringent compliance or reporting

requirements based on the size of a business. To do so would place the employees of those businesses at risk should one be injured while working.

Text of Proposed Rulemaking

ITEM 1. Rescind 876—Chapter 2 and adopt the following **new** chapter in lieu thereof:

CHAPTER 2
GENERAL PROVISIONS

876—2.1(10A) Extending time and continuances. The workers' compensation commissioner or a deputy workers' compensation commissioner may modify the time to comply with any rule for good cause.

This rule is intended to implement Iowa Code chapter 10A.

876—2.2(85,85A,85B,10A,87) Applicability. When appropriate, all rules shall apply to Iowa Code chapters 10A, 85 through 85B, and 87.

This rule is intended to implement Iowa Code chapters 10A, 85 through 85B, and 87.

876—2.3(10A,87) Representative within the state. All licensed insurers, foreign and domestic, insuring workers' compensation and all employers relieved from insurance pursuant to Iowa Code section 87.11 shall designate one or more persons geographically located within the borders of this state, which person or persons shall be knowledgeable of Iowa workers' compensation laws and rules and shall be given the authority and have the responsibility to expedite the handling of all matters within the scope of Iowa Code chapters 10A, 85 through 85B, and 87.

The Iowa workers' compensation commissioner shall be advised by letter of the name, address, and telephone number of each of the persons so designated. Any change in the identity, address or telephone number of the persons so designated shall be reported to the Iowa workers' compensation commissioner within ten days after such change occurs.

This rule is intended to implement Iowa Code chapters 10A and 87.

876—2.4(85,10A) Guides to evaluation of permanent impairment. The Guides to the Evaluation of Permanent Impairment, Fifth Edition, published by the American Medical Association are adopted for determining the extent of loss or percentage of impairment for permanent partial disabilities and payment of weekly compensation for permanent partial scheduled injuries under Iowa Code section 85.34(2) not involving a determination of reduction in an employee's earning capacity. Payment so made shall be recognized by the workers' compensation commissioner as a prima facie showing of compliance by the employer or insurance carrier with the foregoing sections of the Iowa workers' compensation Act. Nothing in this rule shall be construed to prevent the presentations of other medical opinions or other material evidence for the purpose of establishing that the degree of permanent disability to which the claimant would be entitled would be more or less than the entitlement indicated in the Guides to the Evaluation of Permanent Impairment, Fifth Edition, when the reduction in earning capacity for all other permanent partial and permanent total disabilities is determined.

This rule is intended to implement Iowa Code sections 85.34(2) and 10A.310.

876—2.5(85,85A,85B,10A) Use of workers' compensation electronic system (WCES) for submission of filings. Electronic data interchange (EDI) information, forms, pleadings, responses, motions, briefs, and any other submissions shall be filed through the WCES. The website address for WCES is efile.iowaworkcomp.gov.

Any electronic filing that is quarantined due to a virus will not be considered received.

2.5(1) The workers' compensation division may grant a request for waiver of the mandatory use of WCES in contested cases pursuant to 7—Chapter 2504.

2.5(2) Only a deputy workers' compensation commissioner or the workers' compensation commissioner can grant a request for waiver of the mandatory use of WCES in a contested case.

2.5(3) If the division of workers' compensation grants a waiver of the mandatory use of WCES in a contested case, the division of workers' compensation shall file paper documents received from the filer in WCES.

This rule is intended to implement Iowa Code chapters 10A and 85 through 85B.

876—2.6(85,85A,85B,10A) Information to employees. An employer or its insurance carrier filing a final subsequent report of injury (SROI) with the workers' compensation commissioner (more information is contained in 876—subrule 3.1(2)) shall also mail a copy of the information contained on the final subsequent report of injury to the employee at the employee's last-known address.

This rule is intended to implement Iowa Code sections 85.26, 10A.310, 10A.313, and 10A.315.

876—2.7(10A) Official record. The electronic record made and maintained by the workers' compensation division is the official record of a contested case.

This rule is intended to implement Iowa Code chapters 10A and 85 through 85B.

876—2.8(10A) Document requirements. Pleadings, responses to pleadings, exhibits, and transcripts submitted to the workers' compensation division shall be scanned, attached, and filed in portable document format (pdf) or as image-on-text documents (searchable pdf). A hearing report or proposed order or proposed ruling shall be submitted as a pdf or searchable pdf. Transcripts submitted shall include an index. Filings shall not exceed 20 megabytes (MB). Documents exceeding 20 MB shall be divided and submitted as separate attachments to comply with this size limit. All filings pursuant to this rule shall be submitted via WCES unless otherwise ordered by the workers' compensation commissioner or a deputy workers' compensation commissioner. Audio or video files shall use MP3 or MP4 format and shall be submitted with a virus-scanned USB drive and shall not exceed 500 MB for each filing.

This rule is intended to implement Iowa Code chapters 10A and 85 through 85B.