

FILED MAR 4 1996

SENATE FILE 2433
BY COMMITTEE ON BUSINESS AND
LABOR RELATIONS

(SUCCESSOR TO SSB 2295)

(P. 948)
Passed Senate, Date 3/21/96 Passed House, Date _____
Vote: Ayes 47 Nays 0 Vote: Ayes _____ Nays _____
Approved _____

A BILL FOR

1 An Act relating to workers' compensation concerning medical
2 services fee disputes, providing a stay of debt collection
3 against an employer in workers' compensation contested cases,
4 and relating to disputes subject to settlement under workers'
5 compensation.

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

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S.F. 2433

1 Section 1. Section 85.27, unnumbered paragraph 3, Code
2 1995, is amended to read as follows:

3 Notwithstanding section 85.26, subsection 4, charges
4 believed to be excessive or unnecessary may be referred by the
5 employer, insurance carrier, or health service provider to the
6 industrial commissioner for determination, and the
7 commissioner may utilize the procedures provided in sections
8 86.38 and 86.39, or set by rule, and conduct such inquiry as
9 the commissioner deems necessary. Any health service provider
10 charges not in dispute shall be paid directly to the health
11 service provider prior to utilization of procedures provided
12 in sections 86.38 and 86.39 or set by rule. A health service
13 provider rendering treatment to an employee whose injury is
14 compensable under this section agrees to be bound by such
15 charges as allowed by the industrial commissioner and shall
16 not recover in law or equity any amount in excess of charges
17 set by the commissioner. When a dispute under this chapter 85
18 regarding reasonableness of a fee for medical services arises
19 between a health service provider and an employer or insurance
20 carrier, the health service provider, employer, or insurance
21 carrier shall not seek payment from the injured employee.
22 When a dispute under this chapter regarding reasonableness of
23 a fee for medical services arises between a health service
24 provider and an insurance carrier, the health service provider
25 shall not seek payment from the employer.

26 Sec. 2. Section 85.27, unnumbered paragraph 6, Code 1995,
27 is amended to read as follows:

28 While a contested case proceeding for determination of
29 liability for workers' compensation benefits is pending before
30 the industrial commissioner relating to an injury alleged to
31 have given rise to treatment, no debt collection, as defined
32 by section 537.7102, shall be undertaken against an the
33 employee or, the employee's dependents, or the employer for
34 the collection of charges for that treatment rendered an
35 employee by any health service provider. However, the health

1 service provider may send one itemized written bill to the
2 employee and the employer setting forth the amount of the
3 charges in connection with the treatment after notification of
4 the contested case proceeding.

5 Sec. 3. Section 85.35, Code 1995, is amended by adding the
6 following new subsection:

7 NEW SUBSECTION. 9. The claimed disability is related to
8 an injury occurring under the coverage of another carrier
9 during the period of employment with an employer or during a
10 period when the employer is relieved from insurance under
11 section 87.11.

12 EXPLANATION

13 This bill provides that when a workers' compensation
14 dispute as to the reasonableness of a medical services fee
15 under chapter 85 arises between a health service provider and
16 an insurance carrier, the health service provider is
17 prohibited from seeking payment of the fee from the employer.

18 The bill also provides that no debt collection can be
19 undertaken against an employer for recovery of medical charges
20 while a contested case proceeding for determination of
21 liability for workers' compensation benefits is pending.

22 In addition, the bill provides that a workers' compensation
23 dispute concerning whether a claimed disability is related to
24 an injury occurring under another carrier's coverage or during
25 a period when an employer is relieved from carrying insurance
26 is a basis for settlement under the special settlement
27 procedure for workers' compensation cases provided in section
28 85.35.

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SENATE FILE 2433

S-5453

- 1 Amend Senate File 2433 as follows:
2 1. Page 2, by inserting after line 11 the
3 following:
4 "Sec. ____ . Section 85.38, subsection 2, Code 1995,
5 is amended by striking the subsection and inserting in
6 lieu thereof the following:
7 2. LIEN FOR BENEFITS PAID UNDER NONOCCUPATIONAL
8 PLANS. If an employer denies liability under this
9 chapter, chapter 85A, or chapter 85B, for any medical
10 services received by a disabled employee from a health
11 service provider, and the employee is a beneficiary
12 under either an individual or group plan for
13 nonoccupational illness, injury, or disability, the
14 nonoccupational plan shall not deny payment for the
15 medical services received on the grounds that the
16 illness, injury, or disability is excluded from
17 payment because the condition arose out of and in the
18 course of employment. A nonoccupational plan which
19 makes payments for an employee's illness, injury, or
20 disability under this subsection shall have a lien, in
21 an amount equal to the payments made by the plan for
22 the medical services received, against any
23 compensation payments which are made under this
24 chapter, chapter 85A, or chapter 85B. The amount due
25 under the lien shall be deducted from any compensation
26 payments made. The lien shall be effective when
27 written notice is sent by the plan to the employer by
28 regular mail."
29 2. Title page, line 3, by inserting after the
30 word "cases," the following: "relating to
31 nonoccupational health care plan payments,".
32 3. By renumbering as necessary.

By STEWART IVERSON, Jr.

S-5453 FILED MARCH 20, 1996

Lost
3-21-96
(p. 948)

SENATE FILE 2433

H-5256

1 Amend Senate File 2433 as follows:

2 1. Page 2, by inserting after line 11 the
3 following:

4 "Sec. ____ . Section 85.36, subsection 9, paragraph
5 a, Code Supplement 1995, is amended to read as
6 follows:

7 a. In computing the compensation to be allowed a
8 volunteer fire fighter, emergency medical care
9 provider, reserve peace officer, volunteer ambulance
10 driver, volunteer emergency rescue technician as
11 defined in section 147A.1, or emergency medical
12 technician trainee, the earnings as a fire fighter,
13 emergency medical care provider, reserve peace
14 officer, volunteer ambulance driver, volunteer
15 emergency rescue technician, or emergency medical
16 technician trainee shall be disregarded and the
17 volunteer fire fighter, emergency medical care
18 provider, reserve peace officer, volunteer ambulance
19 driver, volunteer emergency rescue technician, or
20 emergency medical technician trainee shall be paid an
21 amount equal to the compensation the volunteer fire
22 fighter, emergency medical care provider, reserve
23 peace officer, volunteer ambulance driver, volunteer
24 emergency rescue technician, or emergency medical
25 technician trainee would be paid if injured in the
26 normal course of the volunteer fire fighter's,
27 emergency medical care provider's, reserve peace
28 officer's, volunteer ambulance driver's, volunteer
29 emergency rescue technician's, or emergency medical
30 technician trainee's regular employment or an amount
31 equal to one hundred and forty percent of the
32 statewide average weekly wage, whichever is greater.

33 Sec. ____ . Section 85.61, subsection 2, Code
34 Supplement 1995, is amended to read as follows:

35 2. "Employer" includes and applies to a person,
36 firm, association, or corporation, state, county,
37 municipal corporation, school corporation, area
38 education agency, township as an employer of volunteer
39 fire fighters, volunteer emergency rescue technicians,
40 and emergency medical care providers only, benefited
41 fire district, and the legal representatives of a
42 deceased employer. "Employer" includes and applies to
43 a rehabilitation facility approved for purchase-of-
44 service contracts or for referrals by the department
45 of human services or the department of education.

46 Sec. ____ . Section 85.61, subsection 11, unnumbered
47 paragraph 3, Code Supplement 1995, is amended to read
48 as follows:

49 "Worker" or "employee" includes an emergency
50 medical care provider as defined in section 147A.1, a

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Page 2

1 volunteer emergency rescue technician as defined in
2 section 147A.1, a volunteer ambulance driver, or an
3 emergency medical technician trainee, only if an
4 agreement is reached between such worker or employee
5 and the employer for whom the volunteer services are
6 provided that workers' compensation coverage under
7 chapters 85, 85A, and 85B is to be provided by the
8 employer. An emergency medical care provider or
9 volunteer emergency rescue technician who is a worker
10 or employee under this paragraph is not a casual
11 employee. "Volunteer ambulance driver" means a person
12 performing services as a volunteer ambulance driver at
13 the request of the person in charge of a fire
14 department or ambulance service of a municipality.
15 "Emergency medical technician trainee" means a person
16 enrolled in and training for emergency medical
17 technician certification."

18 2. Title page, line 2, by inserting after the
19 word "disputes," the following: "concerning benefits
20 for volunteer emergency rescue technicians,".

21 3. By renumbering as necessary.

By O'BRIEN of Boone

H-5256 FILED MARCH 7, 1996

WITHDRAWN

3-11-96

(p. 611)

Dearden
Gettings
Iverson, Jr.

SS B-2295
Business & Labor
Succeeded By
SF/HF 2433

SENATE FILE
BY (PROPOSED COMMITTEE ON
BUSINESS AND LABOR
RELATIONS BILL BY
CHAIRPERSON DEARDEN)

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Vote: Ayes _____ Nays _____ Vote: Ayes _____ Nays _____
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