

# 126th MAINE LEGISLATURE

### **FIRST REGULAR SESSION-2013**

No. 1

S.P. 9

**Legislative Document** 

In Senate, January 8, 2013

An Act To Amend the Maine Workers' Compensation Act of 1992

Reported by Senator John L. Patrick for the Workers' Compensation Board pursuant to the Maine Revised Statutes, Title 39-A, section 152, subsection 11.

Reference to the Committee on Labor, Commerce, Research and Economic Development suggested and ordered printed pursuant to Joint Rule 218.

DAREK M. GRANT Secretary of the Senate

#### Be it enacted by the People of the State of Maine as follows:

- **Sec. 1. 39-A MRSA §102, sub-§1,** as enacted by PL 1991, c. 885, Pt. A, §8 and affected by §§9 to 11, is amended to read:
- 1. After-tax average weekly wage. "After-tax average weekly wage" means average weekly wage, as defined in subsection 4, reduced by the prorated weekly amount that would have been paid under the Federal Insurance Contributions Act, 26 United States Code, Sections 3101 to 3126, state income tax and federal income tax calculated on an annual basis, using as the number of exemptions the disabled employee's dependents plus the employee, and without excess itemized deductions. Effective January 1, 1993 and each January 1st thereafter until and including January 1, 2012, the applicable federal and state laws in effect on the preceding July 1st are used in determining the after-tax weekly wage. Each December 1st until and including December 1, 2011, the board shall publish tables of the average weekly wage and 80% of after-tax average weekly wage that will take effect on the following January 1st. These tables are conclusive for the purpose of converting an average weekly wage into 80% of after-tax average weekly wage.
- **Sec. 2. 39-A MRSA §102, sub-§8,** ¶**A,** as enacted by PL 1991, c. 885, Pt. A, §8 and affected by §§9 to 11, is repealed and the following enacted in its place:
  - A. A spouse of the deceased employee who was living with the employee at the time of the employee's death, who was living apart from the employee for a justifiable cause or because the spouse had been deserted by the employee or who was actually dependent upon the employee at the time of the injury. A spouse living apart from the employee must produce a court order or other competent evidence as to separation and actual dependency; and
- **Sec. 3. 39-A MRSA §102, sub-§8, ¶B,** as enacted by PL 1991, c. 885, Pt. A, §8 and affected by §§9 to 11, is repealed.
  - **Sec. 4. 39-A MRSA §105, sub-§3,** as amended by PL 2009, c. 569, §1, is further amended to read:
  - **3. Predetermination submission.** A party may submit, on forms approved by the board, a request for predetermination regarding the status of a person or job description as an employee, construction subcontractor, as defined in section 105-A, subsection 1, paragraph B, or independent contractor. The status requested by a party request is deemed to have been approved if the board does not deny or take other appropriate action on the submission within 14 30 days.
  - **Sec. 5. 39-A MRSA §105, sub-§4,** as amended by PL 1993, c. 120, §1 and affected by §6, is further amended to read:
  - **4. Hearing.** A hearing, if requested by a party within 10 days of the board's decision on a petition, must be conducted under the Maine Administrative Procedure Act. The board's ruling under this subsection is final and is not subject to judicial review.

- **Sec. 6. 39-A MRSA §217, sub-§1,** as enacted by PL 1991, c. 885, Pt. A, §8 and affected by §§9 to 11, is amended to read:
- **1. Services.** If employment rehabilitation services are not voluntarily offered and accepted, the board on its own motion or upon application of the employee, carrier or employer, after affording the parties an opportunity to be heard, may refer the employee to a board-approved facility for evaluation of the need for and kind of service, treatment or training necessary and appropriate to return the employee to suitable employment. <u>The</u> board's determination under this subsection is final.
- **Sec. 7. 39-A MRSA §218, sub-§3,** as enacted by PL 1991, c. 885, Pt. A, §8 and affected by §§9 to 11, is amended to read:
- **3. Time period; discrimination prohibited.** The employer's obligation to reinstate the employee continues until one year 2 years, or 3 years if the employer has over 200 employees, after the date of the injury. An employer who reinstates an employee under this section may not subsequently discriminate against that employee in any employment decision, including decisions related to tenure, promotion, transfer or reemployment following a layoff, because of the employee's assertion of a claim or right under this Act. Nothing in this subsection may be construed to limit any protection offered to an employee by section 353.
- Sec. 8. 39-A MRSA §303, as amended by PL 2003, c. 471, §1, is further amended to read:

#### §303. Reports to board

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When any employee has reported to an employer under this Act any injury arising out of and in the course of the employee's employment that has caused the employee to lose a day's work, or when the employer has knowledge of any such injury, the employer shall report the injury to the board within 7 days after the employer receives notice or has knowledge of the injury. An insured employer that has notice or knowledge of any such injury and fails to give timely notice to its insurer shall reimburse the insurer for any penalty that is due as a result of the late filing of the report of injury. The employer shall also report the average weekly wages or earnings of the employee, as defined in section 102, subsection 4, together with any other information required by the board, within 30 days after the employer receives notice or has knowledge of a claim for compensation under section 212, 213 or 215, unless a wage statement has previously been filed with the board. A copy of the wage information must be mailed to the employee. The employer shall report when the injured employee resumes the employee's employment and the amount of the employee's wages or earnings at that time. The employer shall complete a first report of injury form for any injury that has required the services of a health care provider within 7 days after the employer receives notice or has knowledge of the injury. The employer shall provide a copy of the form to the injured employee and retain a copy for the employer's records but is not obligated to submit the form to the board unless the injury later causes the employee to lose a day's work. The employer is also required to submit the form to the board if the board has finally adopted a major substantive rule pursuant to Title 5, chapter 375, subchapter 2-A to require the form to be filed electronically.

**Sec. 9. 39-A MRSA §318, last ¶,** as enacted by PL 1991, c. 885, Pt. A, §8 and affected by §§9 to 11, is amended to read:

Clerical mistakes in decrees, orders or other parts of the record and errors arising from oversight or omission may be corrected by the board at any time of its own initiative, at the request of the hearing officer or on the motion of any party and after notice to the parties. During the pendency of an appeal, these mistakes may be corrected before the appeal is docketed in filed with the Law Court division and thereafter, while the appeal is pending, may be corrected with leave of the Law Court division.

**Sec. 10. 39-A MRSA §320, 2nd ¶,** as amended by PL 2011, c. 647, §19, is further amended to read:

If a hearing officer asks for review, the time for appeal to the Appellate Division pursuant to section 321-B is stayed and no further action may be taken until a decision of the board has been made. If the board reviews a decision of a hearing officer, any appeal must be from the decision of the board and must be made to the Law Court in accordance with section 322. The time for appeal begins upon the board's issuance of a written decision on the merits of the case or written notice that the board denies review.

**Sec. 11. 39-A MRSA §320, 3rd ¶,** as amended by PL 2003, c. 608, §13, is further amended to read:

The board shall vote on whether to review the decision. If a majority of the board's membership fails to vote to grant review or the board fails to act within 60 days after receiving the initial request for review, the decision of the hearing officer stands, and any appeal must be made to the division in accordance with section 321-B. If the board votes to review the decision, the board may delegate responsibility for reviewing the decision of the hearing officer under this section to panels of board members consisting of equal numbers of representatives of labor and management. Review must be on the record and on written briefs only. Upon a vote of a majority of the board's membership, the board shall issue a written decision affirming, reversing remanding, vacating or modifying the hearing officer's decision. The written decision of the board must be filed with the board and mailed to the parties or their counsel. If the board fails to adopt a decision by majority vote, the decision of the hearing officer stands and is subject to direct appellate review in the same manner as if the board had not voted to review the decision.

## **Sec. 12. 39-A MRSA §321-B, sub-§1, ¶B,** as enacted by PL 2011, c. 647, §20, is amended to read:

B. At the time of filing an appeal under this section, the appellant shall file with the division a copy of the decision, order or agreement appealed. The failure of an appellant who timely files an appeal in accordance with paragraph A to provide a copy of the decision, order or agreement does not affect the jurisdiction of the division to determine the appeal on its merits unless the appellee shows substantial prejudice from that failure.

**Sec. 13. 39-A MRSA §321-B, sub-§3,** as enacted by PL 2011, c. 647, §20, is amended to read:

- **3. Action.** The division, after due consideration, may reverse affirm, vacate, remand or modify a decree of a hearing officer and shall issue a written decision. The written decision of the division must be filed with the board and mailed to the parties or their counsel.
- **Sec. 14. 39-A MRSA §324, sub-§1,** as amended by PL 2011, c. 361, §1, is further amended to read:
- 1. Order or decision. The employer or insurance carrier shall make compensation payments within 10 days after the receipt of notice of an approved agreement for payment of compensation or within 10 days after any order or decision of the board awarding compensation. If the board enters a decision awarding compensation, and a motion for findings of fact and conclusions of law is filed with the hearing officer or an appeal is filed with the division pursuant to section 321-B or the Law Court pursuant to section 322, payments may not be suspended while the motion for findings of fact and conclusions of law or appeal is pending. The employer or insurer may recover from an employee payments made pending a motion for findings of fact and conclusions of law or appeal to the division or the Law Court if and to the extent that the hearing officer, division or the Law Court has decided that the employee was not entitled to the compensation paid. The board has full jurisdiction to determine the amount of overpayment, if any, and the amount and schedule of repayment, if any. The board, in determining whether or not repayment should be made and the extent and schedule of repayment, shall consider the financial situation of the employee and the employee's family and may not order repayment that would work hardship or injustice. The board shall notify the Commissioner of Health and Human Services within 10 days after the receipt of notice of an approved agreement for payment of compensation or within 10 days after any order or decision of the board awarding compensation identifying the employee who is to receive the compensation. For purposes of this subsection, "employer or insurance carrier" includes the Maine Insurance Guaranty Association under Title 24-A, chapter 57, subchapter 3.
- **Sec. 15. Application.** Notwithstanding the Maine Revised Statutes, Title 1, section 302, those sections of this Act that amend Title 39-A, sections 318, 320 and 321-B apply to actions and proceedings that are pending on the effective date of this Act.

32 SUMMARY

This bill:

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- 1. Clarifies that the board will no longer publish average weekly wage tables after December 1, 2011. Publication of the tables is no longer necessary because, pursuant to Public Law 2011, chapter 647, compensation for employees injured on and after January 1, 2013 is based on 2/3 of gross average weekly wage as opposed to 80% of after-tax average weekly wage;
  - 2. Makes the presumption of dependency consistent for spouses;

- 3. Extends the time within which the board must take action on a predetermination request from 14 to 30 days;
  - 4. Establishes that review of a predetermination request is final within the board;

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- 5. Establishes that a request for evaluation of the need for employment rehabilitation is not subject to review outside of the agency;
- 6. Extends to 2 years the period within which an employee can petition for reinstatement to an employer with 200 or fewer employees;
- 7. Establishes that an employer is required to reimburse its insurer if the employer is responsible for the late filing of a first report of injury;
- 8. Clarifies procedures relating to the Appellate Division within the Workers' Compensation Board by:
  - A. Providing that clerical mistakes in decrees may be corrected when a matter is pending before the Appellate Division;
    - B. Specifying that an appellant must file a copy of the hearing officer's decision and not an order or agreement; and
  - C. Specifying that the Appellate Division may affirm, vacate or remand a decree of a hearing officer;
- 9. Clarifies procedures relating to the review of a decision by the board pursuant to the Maine Revised Statutes, Title 39-A, section 320 by:
  - A. Stipulating that appeals of decisions issued by the board pursuant to section 320 must be filed with the Law Court, not the Appellate Division;
  - B. Providing that a hearing officer decree can be appealed to the Appellate Division if the board declines review; and
- C. Permitting the board to remand a hearing officer decree; and
- 25 10. Clarifies that benefits must be paid while an appeal is pending before the Appellate Division and that benefits paid while a case is pending before the Appellate Division are subject to repayment in the same manner as when the Law Court decides an employee is not entitled to compensation.