## DRAFT ONLY NOT APPROVED FOR INTRODUCTION

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Workers' compensation amendments-2.

Sponsored by: Joint Labor, Health and Social Services Interim Committee

## A BILL

for

1 AN ACT relating to workers' compensation; limiting the 2 state's right of subrogation as specified; providing for 3 coverage of all employment as specified; providing cost of living adjustments for benefits; increasing death benefits; 4 providing for inheritability of death benefits; specifying 5 the edition of the guide for calculation of permanent 6 7 impairment; amending the duration of permanent partial and 8 permanent total impairment benefits; amending the 9 calculation of the disfigurement benefit; increasing 10 maximum vocational benefits; providing for semi-annual adjustment of medical and hospital fee schedules; providing 11 12 for the investigation of cases involving serious bodily injuries as specified; and providing for an effective date. 13

2 Be It Enacted by the Legislature of the State of Wyoming:

3

- 4 **Section 1.** W.S. 27-14-105(a), 27-14-108 by creating
- 5 new subsections (r) and (s), 27-14-403 (c) (intro), by
- 6 creating of a new paragraph (v) and (e)(iii), 27-14-405(g),
- 7 (j) and (k), 27-14-406(a), 27-14-408(e)(ii), 27-14-802(a)
- 8 and 27-14-803 by creating a new subsection (e) are amended
- 9 to read:

10

- 11 27-14-105. Action against third party; notice;
- 12 subrogation; legal representation; payment under
- 13 reservation of rights; actions by department.

14

- 15 (a) If an employee covered by this act receives an
- 16 injury under circumstances creating a legal liability in
- 17 some person other than the employer to pay damages, the
- 18 employee if engaged in work for his employer at the time of
- 19 the injury is not deprived of any compensation to which he
- 20 is entitled under this act. He may also pursue his remedy
- 21 at law against the third party or the coemployee to the
- 22 extent permitted by W.S. 27-14-104(a). Except as provided
- 23 by subsections (b), (e) and (f) of this section, if the

1	employee recovers from the third party or the coemployee in
2	any manner including judgment, compromise, settlement or
3	release, the state is entitled to be reimbursed for all
4	payments made, or to be made, to or on behalf of the
5	employee under this act but not to exceed one-third (1/3)
6	of the total proceeds of the recovery without regard to the
7	types of damages alleged in the third-party action.
8	However, the state shall have no right of recovery pursuant
9	to this section until the injured employee is made whole by
10	settlement or judgment for the employee's loss. Any
11	recovery by the state shall be reduced pro rata for
12	attorney fees and costs in the same proportion as the
13	employee is liable for fees and costs. All money received
14	by the state under this section shall be credited to the
15	worker's compensation account and considered in computing
16	the employer's experience rating.
17	
18	27-14-108. Extrahazardous industries, employments,
19	occupations; enumeration; definitions; optional coverage.
20	
21	[The following shows provisions repealed by Section 2
22	of the bill. The repealed language is shown here as
23	stricken for convenience and will not appear in the final
24	version of the bill.]

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1
         (a) This act applies to the following, which shall be
 2
    deemed extrahazardous employment:
              (i) Repealed by Laws 2002, Ch. 30, § 2.
 3
              (ii) Regardless of individual occupation, all
 4
    workers employed in the following sectors, subsectors, industry groups and industries, as each is defined in the
 5
 6
         recent edition of the North American Industry
 7
    Classification System (NAICS) manual:
9
                   (A) Agriculture, sector 11:
                        (I) Subsector 113, forestry and
10
    <del>logging:</del>
11
12
                        (1) Industry group 1133, logging.
13
                   (B) Mining, sector 21;
14
                   (C) Utilities, sector 22;
                   (D) Construction, sector 23;
15
16
                   (E) Manufacturing, sector 31-33;
17
                   (F) Wholesale trade, sector 42:
                        (I) Subsector 422, wholesale trade,
18
    nondurable goods:
19
20
                             (1) Industry group 4225, farm
    product raw materials, wholesale;
21
22
                             (2) Industry group 4226, chemical
23
    and allied products, wholesale;
24
                             (3) Industry group 4227,
25
    petroleum and petroleum products, wholesale;
26
                             (4) Industry group 4228, beer,
    wine, and distilled alcoholic beverages, wholesale;
27
28
                             (5) Industry group 4229,
    miscellaneous nondurable goods, wholesale.
29
                   (G) Retail trade, sector 44-45:
30
                        (I) Subsector 441, motor vehicle and
31
32
    parts dealer;
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1
                             Subsector 444, building materials
 2
    and garden equipment and supplies:
 3
                             (1) Industry group 4441, building
 4
    materials and supplies dealers:
 5
                                       NAICS industry 44419,
    other building materials.
 6
7
                        (III) Subsector 445, food and beverage
8
    stores:
9
                                     <del>- Industry - group -</del>
10
    specialty food stores:
                                       NAICS industry 44521,
11
12
    meat markets;
13
                                  b. NAICS industry 44522,
14
    fish and seafood markets;
15
                                  c. NAICS industry 44529,
    other specialty stores.
16
17
                        (IV) Subsector 447, gasoline stations;
                        (V) Subsector 454, nonstore retailers:
18
                             (1) Industry group 4543, direct
19
20
    selling establishments:
                                       NAICS industry 45431,
21
    fuel dealers.
22
2.3
                   (H) Transportation and warehousing, sector
    <del>48-49:</del>
24
25
                        (I) Subsector 481, air transportation;
26
                        (II) Subsector 484, truck
27
    transportation;
28
                                            485,
                        (III)
                                 Subsector
29
    systems;
30
                        (IV) Subsector 486, pipeline
31
    transportation;
32
                        (V) Subsector 491, postal service;
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(VI) Subsector 492, couriers and
1
 2
    messengers;
                       (VII) Subsector 493, warehousing and
 3
 4
    storage.
 5
                      Information, sector 51:
 6
                       (I) Subsector 511, publishing
 7
    industries:
8
                                     - Industry -
                                                <del>group</del>
    newspaper, periodical, book and database publishers.
 9
10
                  (K) Real estate and rental and leasing,
11
    sector 53:
12
                       (I) Subsector 531, real estate:
13
                            (1) Industry group 5311, lessors
    of real estate.
14
15
                       (II) Subsector 532, rental and leasing
    services:
16
17
                            (1) Industry group 5321,
18
    automotive equipment rental and leasing.
                  (M) Administrative and support and waste
19
20
    management and remediation services, sector 56:
                       (I) Subsector 561, administrative and
21
22
                            (1) Industry group 5616,
23
24
    investigation, guard and armored car services;
25
                            (2) Industry group 5617, services
26
    to buildings and dwellings.
27
                       (II) Subsector 562, waste management
28
    and remediation services.
29
                  (N) Educational services, sector 61:
                       (I) Subsector 611, educational
30
31
    services:
32
                                  Industry group 6116, other
                            \frac{(1)}{(1)}
33
    schools and instruction:
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NAICS industry 61161,
1
 2
    fine arts schools;
                                 b. NAICS industry 61162,
 3
 4
    sports and recreation instruction;
 5
                                     NAICS industry 61169, all
 6
    other schools and instruction:
 7
                                      i. United States NAICS
8
    industry 611692, automobile driving schools.
9
                   (0) Health care and social services, sector
    <del>62:</del>
10
11
                       (I) Subsector 621, ambulatory health
12
    care services;
13
                       (II) Subsector 622, hospitals;
14
                       (III) Subsector 623, nursing and
    residential care facilities;
16
                       (IV) Subsector 624, social assistance:
17
                            (1) Industry group 6241,
    individual and family services;
18
                            (2) Industry group
19
20
    community food and housing, and emergency and other relief
21
    services;
22
                                    - Industry group
23
    vocational rehabilitation services.
24
                   (P) Except as provided under subsection (o)
25
    of this section, arts, entertainment and recreation, sector
26
    <del>71;</del>
                   (Q) Accommodation and food services, sector
27
28
    <del>72;</del>
                          Other services (except public
29
    administration), sector 81:
30
31
                       (I) Subsector 811, repair and
32
    maintenance;
33
                       (II) Subsector 812, personal and
34
    laundry services:
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1
                                  Industry group 8123, dry-
 2
    cleaning and laundry services;
 3
                            (2) Industry group 8129, other
 4
    personal services:
 5
                                     NAICS industry 81291, pet
 6
    care (except veterinary services).
7
                  (S) Public administration, sector 92:
                            Subsector 922, justice, public
 8
 9
    order and safety activities:
10
                            (1) Industry group 9221, justice,
11
    public order and safety activities:
12
                                 a. NAICS industry 92212,
13
    police protection;
14
                                 b. NAICS industry 92214,
15
    correctional institutions;
16
                                      NAICS industry 92215,
                                 <del>C.</del>
17
    fire protection.
                       (II) Subsector 923, administration of
18
19
    human resource programs:
2.0
                            (1) Industry group
21
    administration of human resource programs:
22
                                 a. NAICS industry 92312,
23
    administration of public health programs;
                                 b. NAICS industry 92313,
24
    administration of human resource programs (except
25
    education, public health and veterans' affairs programs);
26
27
                                 c. NAICS industry 92314,
28
    administration of veterans' affairs.
                       (III) Subsector 924, administration of
29
30
    environmental quality programs.
31
         (d) This act applies to governmental entities engaged
    in an industrial classification listed under subsection (a)
32
    of this section and to employees of governmental entities
33
    engaged in or employed as the following:
34
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1
                    Janitors, groundskeepers and maintenance
 2
    workers;
 3
             (ii) Federal programs which require coverage for
 4
    their participants;
             (iii) State employees and effective until
 5
       2002, employees of the University of Wyoming while
 6
    traveling in the performance of their duties;
 7
 8
             (iv) Repealed By Laws 2001, Ch. 132, § 2.
             (v) Repealed By Laws 2001, Ch. 132, § 2.
 9
             (vi) Casual employees engaged in fighting forest
10
    or grass fires when employed by a governmental entity;
11
12
             (vii) Applicants or recipients of general welfare
13
    or relief who are employed by a governmental entity;
14
             (viii) Repealed By Laws 2001, Ch. 132, § 2.
             (ix) All adult and juvenile prisoners and
15
    probationers when performing work pursuant to law or court
16
17
    <del>order;</del>
             <del>(x)</del>
                     Diagnostic and analytical laboratory
18
19
2.0
             (xi) Hazardous substance workers;
             (xii) Power equipment operators;
21
22
             (xiii) Motor delivery drivers;
23
             (xiv) Workshop employees;
24
             (xv) Persons performing community service
    pursuant to a criminal sentencing order or a diversion
25
    agreement entered into with a prosecuting authority, if the
26
    governing body of the jurisdiction for whom the service is
27
28
    performed has made a prior written election of coverage for
    the community service work;
29
30
             (xvi) Public school educational assistants who
31
    provide services to special education students;
32
             (xvii) County coroners and deputy county
33
    coroners.
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(f) As used in this section:
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(ii) "Diagnostic and analytical laboratory employees" means all laboratory personnel handling or analyzing or otherwise exposed to infections, chemical or biological hazardous materials or employed in a laboratory in which infections, chemical or biological hazardous materials are handled or stored;

(iv) "Workshop" means any location where power driven machinery is used and manual labor is exercised by way of trade or gain or otherwise incidental to the process of making, altering, repairing, printing or ornamenting, finishing or adapting for sale or otherwise any article or part of article, over which location the employer of the person working at the location has the right of access or control. Workshop includes any location where power machinery is being used and manual labor is exercised for recycling, crushing, incinerating, disposal or otherwise altering any article including but not limited to, paper products, metal, glass, rubber and plastic, over which location the employer of the person working at the location has the right of access or control. A workshop does not include any location on which only office fans, typewriters, adding machines, calculators, computers, dictaphones or other similar equipment driven by electric motors are operated which are sufficiently protected not to constitute a hazard to employees;

(vi) "Power equipment operator" means any worker
who operates power machinery;

(vii) "Mine rescue team" means mine rescue workers and the employers of the workers performing actual rescue operations or training rescue operations at any underground mine pursuant to the consent of the owner of the mine and the employers of the members of the team. Mine rescue team members while engaged in mine rescue operations and training, shall be considered employees of the employer at whose mine they engage in mine rescue work;

(viii) "Hazardous substance" means those substances designated or enumerated within the notification of hazardous waste activity publication of the federal environmental protection agency;

(ix) "Hazardous substance worker" means a

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2
    trained employee or volunteer involved with performing
 3
    emergency response and post emergency response operations
    for the release or substantial threat of release of
 4
 5
    hazardous substances.
 6
         (j) Any employee not enumerated under subsections (a)
    through (q) of this section or not employed in an
 7
    extrahazardous employment enumerated under this section may
 8
    be covered and subject to the provisions of this act and
 9
    his employment shall be treated as if extrahazardous for
10
    purposes of this act, if his employer elects to obtain
11
12
    coverage under this act and makes payments as required by
13
    this act. An employer electing coverage pursuant to this
    subsection may only elect to cover all his employees. An
14
    employer may withdraw coverage elected under this subsection at any time if the elected coverage has been in
15
16
    effect for at least two (2) years and the employer is current on all contributions and payments required under
17
18
    this act.
19
20
21
         (o) Notwithstanding subparagraph (a) (ii) (P) of this
    section and upon request of an employer, the department may
22
    exclude employment from coverage under this act if it
23
24
    determines the primary source of revenue of the employer's
    business is derived from operations classified under
25
    subparagraph (a) (ii) (P) of this section and any of the
26
    following industries:
27
28
              (i) Agriculture, forestry, fishing and hunting,
29
    sector 11:
                   (A) Subsector 111, crop production;
30
31
                   (B) Subsector 112, animal production;
                   (C) Subsector 113, forestry and logging:
32
33
                        (I) Industry group 1131, timber tract
34
    operations;
35
                        II) Industry group 1132, forest
    nurseries and gathering of forest products.
36
37
                   (D) Subsector 115, support activities for
38
    agriculture and forestry.
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2 (r) Except as otherwise provided in this section and
3 other provisions of this chapter, this chapter shall apply
4 to all employment in this state, and where provided, to
5 employment outside of the state.

6

(s) This chapter does not apply to employment in any

8 case where the laws of the United States of America provide

9 for compensation, by an employer to his employee, for

10 injury or death in employment. However, if jurisdiction is

11 vested in this state under those laws, this chapter shall

12 apply to the employment.

13

27-14-403. Awards generally; method of payment.

15

(c) All awards stated in this section except awards under paragraph (a)(i), subsection (b) and paragraphs (e)(ii), (iv) and (v) and (h)(ii) and subsection (k) of this section shall be paid monthly at the rates prescribed by this subsection. For permanent partial impairment under paragraph (a)(ii) of this section, the award shall be calculated at the rate of two-thirds (2/3) of the statewide

average monthly wage for the twelve (12) month period 1 immediately preceding the quarterly period in which the 2 3 injury occurred benefits are paid as determined pursuant to 4 W.S. 27-14-802. For temporary total disability under 5 paragraph (a)(i) of this section, the award shall be paid monthly at the rate of two-thirds (2/3) of the injured 6 7 employee's actual monthly earnings at the time of injury but not to exceed the statewide average monthly wage for 8 9 the twelve (12) month period immediately preceding the 10 quarterly period in which the injury occurred as determined 11 pursuant to W.S. 27-14-802 with one-half (1/2) of the 12 monthly award paid on or about the fifteenth of the month and one-half (1/2) paid on or about the thirtieth of the 13 14 month. For temporary light duty under paragraph (a)(i) of 15 this section, the award shall be paid monthly at the rate of eighty percent (80%) of the difference between the 16 17 employee's light duty wage and the employee's actual 18 monthly earnings at the time of injury. For permanent 19 partial and permanent total disability or death under 20 paragraphs (a) (iii), (iv) and (v) of this section, the 21 award shall be paid monthly computed as follows:

1 (v) All amounts awarded under this subsection 2 shall be adjusted for inflation between the date of injury 3 or impairment, whichever is later, and the date of payment 4 using the cumulative annual consumer price index or its 5 successor index of the United States department of labor, 6 bureau of labor statistics. 7 If an injured employee dies as a result of the 8 9 work related injury whether or not an award under paragraphs (a)(i) through (iv) of this section has been 10 11 made: 12 The surviving spouse shall receive for 13 (iii) fifty-four (54) one hundred twenty (120) months a monthly 14 15 payment as provided by subsection (c) of this section. If the surviving spouse dies before the award is entirely paid 16 or if there is no surviving spouse, the unpaid balance of 17 the award shall be paid to the surviving dependent children 18 of the employee in the manner prescribed by paragraph 19 (d)(ii) of this section. If there are no dependent 20 21 children or if all remaining dependent children die before the award is entirely paid, further payments under this 22

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paragraph shall cease as of the date of the
 2
    be administered as part of the deceased employee's estate;
 3
         27-14-405. Permanent partial disability; benefits;
 4
 5
    schedule; permanent disfigurement; disputed ratings.
 6
 7
         (q) An injured employee's impairment shall be rated
    by a licensed physician using the most recent fifth edition
8
 9
             American Medical Association's guide to the
        the
    evaluation of permanent impairment. The award shall be paid
10
11
    as provided by W.S. 27-14-403 for the number of months
12
    determined by multiplying the percentage of impairment by
13
    forty-four (44) eighty-eight (88) months.
14
15
              The disability award under subsection (h) of this
16
    section shall be payable monthly in the amount provided by
17
    W.S. 27-14-403 for the duration of the disability or until
    age sixty-five (65), whichever first occurs. number of
18
19
    months determined by adding the number of months computed
20
    under this subsection as follows:
21
22
                   Fourteen -
                            \frac{(14)}{}
                                  - months, multiplied
23
    fraction in which the numerator is sixty-five (65) minus
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the employee's age at the date of injury and the
1
2
    denominator is forty-five (45);
3
             (ii) Eight and one-half (8 1/2) months,
 4
 5
    multiplied by a fraction in which the numerator is four (4)
    minus the employee's completed years of education beyond
 6
7
    the twelfth grade, not to exceed four (4) years, and the
    denominator is four (4);
8
9
             (iii) Six (6) months, multiplied by a fraction
10
11
    in which the numerator is four (4) minus the number of
12
    different occupations in which the employee has worked at
13
    least eighteen (18) months in the eight (8) year period
14
    preceding the injury but not to exceed four (4), and the
15
    denominator is four (4);
16
17
             (iv) Up to two (2) months if the employee at the
    time of injury was engaged in a formal education or
18
19
    training program for an occupation which was reasonably
20
    expected to pay more than the employee's employment at the
21
    time of injury and the employee, because of the permanent
    injury, will be unable to enter into the new occupation;
22
23
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(v) One (1) month if the employee is forty-five 1 2 (45) to forty-nine (49) years of age at the time of two (2) months if the employee is fifty (50) to fifty-four 3 (54) years of age at the time of injury, and three (3) 4 5 months if the employee is fifty-five (55) years of age or 6 older at the time of injury. 7 (k) An employee incurring permanent disfigurement due 8 to an injury to the face or head which affects his earning 9 10 capacity or ability to secure gainful employment shall 11 receive in proportion to the extent of the disfigurement, 12 an additional physical impairment award not to exceed six (6) months fifteen percent (15%) of compensation payable 13 monthly as provided by W.S. 27-14-403(c). Any previous 14 15 disfigurement to the face or head of the employee shall be considered when authorizing the award. 16 17 18 27-14-406. Permanent total disability; benefits. 19 Subject to W.S. 27-14-602, upon certification by 20 (a) 21 a physician licensed to practice surgery or medicine that an injury results in permanent total disability as defined 22 23 under W.S. 27-14-102(a)(xvi), an injured employee shall

1	receive for <del>eighty (80) months the duration of the</del>
2	disability or until age sixty-five (65), whichever first
3	occurs, a monthly payment as provided by W.S. 27-14-403(c)
4	less any previous awards under W.S. 27-14-405 which were
5	involved in the determination of permanent total
6	disability, and dependent children shall receive an award
7	as provided by W.S. 27-14-403(b). The monthly payment
8	amount computed under W.S. 27-14-403(c) and any amount
9	awarded under W.S. 27-14-408 shall constitute the exclusive
10	benefit for both the physical impairment and the economic
11	loss resulting from an injury, including loss of earnings,
12	extra expenses associated with the injury and vocational
13	rehabilitation. An employee shall not receive benefits
14	under this section if receiving benefits under W.S. 27-14-
15	404 or 27-14-405.
16	
17	27-14-408. Vocational rehabilitation; application;
18	eligibility; plan; limitation; modification, suspension or
19	termination.
20	
21	(e) The division of vocational rehabilitation shall
22	in cooperation with the injured employee, develop an
23	individualized rehabilitation plan for the employee agreed

1 to by both the division of vocational rehabilitation and

2 employee, that:

3

4 (ii) Shall not exceed four (4) five (5) years or

5 a total cost of thirty thousand dollars (\$30,000.00) sixty

6 thousand dollars (\$60,000.00) unless extended or increased

for extenuating circumstances as defined by rule and

8 regulation of the division;

9

7

10 27-14-802. Rulemaking power; fees; state's average

11 wages; vocational rehabilitation; contracts with clerks of

12 district court.

13

23

The director may adopt rules and regulations for 14 (a) 15 administration of this act. The director shall by rule and regulation establish criteria for qualification of resident 16 and nonresident employers, provide for advance payments of 17 18 employer premiums under W.S. 27-14-202(e), provide fee 19 schedules for all medical and hospital care rendered injured employees and for the establishment of the state's 20 21 average monthly wage. In addition, the division may by rule 22 and regulation establish a separate fee schedule for

surgical procedures and hospital admissions preauthorized

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by the division. Changes in any rule or regulation adopted
1
    under this subsection shall be considered only at quarterly
 2
 3
    intervals. Fee schedules for medical and hospital care
 4
    shall be reviewed and adjusted semi-annually.
 5
 6
         27-14-803.
                       Investigatory powers; examination
                                                             of
 7
    employer's records; subpoenas.
8
 9
         (e) The administrator shall refer for investigation
10
    pursuant to W.S. 27-11-109 any serious bodily injury to a
11
    claimant, which for purposes of this subsection shall be
12
    considered any injury requiring hospitalization for more
13
    than one (1) day or involving the loss of a limb, permanent
14
    disability or death.
15
16
         Section 2. W.S. 27-14-108(a), (d), (f)(ii) and (iv),
    (vi) and (vii), (viii) and (ix), (j) and (o) are repealed.
17
18
19
         Section 3. This act is effective July 1, 2008.
20
21
                                  (END)
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