

KANSAS AUTOMOBILE DEALERS WORKERS' COMPENSATION FUND

February 18, 2015

To: The Honorable Julia Lynn, Chair and Members of the Senate Commerce Committee

From: Don L. McNeely, KADWCF Secretary

Re: SB 167 – An Act concerning workers compensation

Good morning, Madam Chair Lynn and Members of the Senate Commerce Committee. My name is Don McNeely, and I am the Secretary of the Kansas Automobile Dealers Workers Compensation Fund (KADWCF) which provides workers compensation insurance coverage to over 70% of the retail new franchised motor vehicle dealerships in Kansas

On behalf of the KADWCF, I thank you for the opportunity to voice our opposition and provide some comments to SB 167, which would move Kansas from the AMA 6th edition back to the AMA 4th edition for workers compensation insurance settlement purposes.

While the AMA 6th edition only took effect January 1, 2015, the proponents of the legislation are already alleging that the settlements under the 6th edition are too low for certain injuries and that litigation will be filed challenging the exclusive remedy bargain. In fact, the AMA 6th edition actually brings the most modern evaluation/ treatment to bear and is outcome based, as opposed to the 4th edition, which is more injury based.

Currently, the 6th edition is being used for determining workers compensation disability in 22 states and the federal government. While it is true that exclusive remedy is being challenged in other states, the AMA edition used by the state would not be the reason that the state's workers compensation law would be overturned. Even if it was the basis the same problem would remain, so it's not reasonable to suggest going backward somehow results in going forward. The AMA guides are written by medical experts, without prejudice, and the 6th edition simply brings Kansas law into the 21st century by updating evaluation and treatment of injuries.

On behalf of the Kansas Automobile Dealers Workers Compensation Fund, thank you for the opportunity to provide some comments in regard to SB 167.