

MINUTES OF THE House COMMITTEE ON Labor and Industry

Held in Room 521-S, at the Statehouse at 9:30 a. m./~~p.m.~~,

on January 20, 1983.

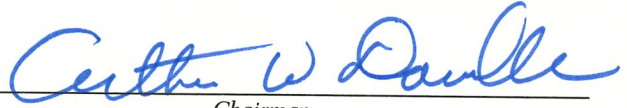
All members were present except:

Representative Robert Miller / Excused

The next meeting of the Committee will be held at 9:30 a. m./~~p.m.~~,

on January 25, 1983.

These minutes of the meeting held on _____, 19____ were considered, corrected and approved.


Chairman

The conferees appearing before the Committee were:

Mr. Arnold Berman
Mr. Bryce Moore

Chairman Douville called the meeting to order at 9:30 a.m.

Chairman Douville: "I see by the paper that the various segments of the industry and labor and representatives of the public have agreed upon a plan which they are going to present to the Legislature. I haven't seen the details of it, but certainly want to give serious consideration to it, and I am going to ask our Research and Revisors Office's to work with the Department of Human Resources in preparing a bill based upon such a plan. However, that does not mean that we are not going to consider a number of alternatives. One that I have not seen any figures on yet, deals with raising the base to a different amount, like 8 or 10 thousand dollars."

Chairman Douville then asked of the Department of Human Resources representatives if there were figures available with a different base.

Mr. Arnold Berman responded that by next week the Department of Human Resources would have available that type of approach based on differing wage levels, running from \$7,000.00 up to approximately \$13,000.00.

Chairman Douville then introduced Mr. Bryce Moore, Director of Workers Compensation.

Mr. Moore passed out to the committee a copy of "Workers' Compensation Law & Rules," (Attachment #1) and an employees information sheet and employers informational sheet, (Attachment #2). Mr. Moore introduced Mr. Richard Smelser, the Administrative Officer. Mr. Smelser manages the Self Insurance Program.

Mr. Moore then gave an over view of what Workers Compensation is all about.

A short discussion followed.

Chairman Douville adjourned the meeting at 9:58 a.m.

1-20-83

GUEST LIST

Don Chronister

John E. Dullaugh

William W. Sneed

Michael Stone

Amy Carter

Arnold Berner

Harryl Helser

Wayne Marchel

Ralph M^cGee

Larry Wolpert

Harvey S. Sudwick

Byron

Lucy Fisher

STATE OF KANSAS
DIVISION OF WORKERS' COMPENSATION

An Important Message to Injured Workers: If you have a job-related injury and benefits are not being paid or you have a question in regard to the proper settlement amount, please contact the Division of Workers' Compensation at once for help. Our Claimant Advisory Section in the Topeka Office will work with an injured worker in attempting to get his or her problems resolved. You do have a right to file an application for hearing; however, prior to doing so you would be advised to call the Claimant Advisory Section. Our office will also answer any questions you might have on a claim or visit with you about your rights and obligations under the law. When you call the Division ask to speak to the "Claimant Advisory Section." As records are mainly kept in the Topeka Office, it is suggested you contact this office for help. The telephone number is (913) 296-3441 and the address is Division of Workers' Compensation, 535 Kansas Avenue, 6th Floor, Topeka, Kansas, 66603. You may also contact the following branch offices who will answer your questions or relay a message for the Topeka Office to call you: Kansas City, Kansas (913) 342-4500; Wichita (316) 262-6416; and Great Bend (316) 792-1911.

Es requerido que el patrón dé tratamiento médico y compensación mientras que el empleado esta fuera de su trabajo por un golpe recibido en o por causa del trabajo. Llame a este numero para preguntar acerca de sus derechos 913-296-3441. Oficina de Trabajadores de Compensación, Estado de Kansas, 535 Kansas Avenida, Topeka, Kansas, 66603.

HAVE A PROBLEM WITH YOUR CLAIM? LET US TRY TO HELP!



What do I have to do to start the processing of my claim?

My medical bills aren't paid yet !!

Can you explain what is a proper settlement amount?

Should I file for a hearing?

How much do I receive a week?

WORKERS' COMPENSATION INFORMATION

The Division of Workers' Compensation has prepared this informational sheet for an employee to give him information about the Kansas Workmen's Compensation Law. This is designed to give a general picture about the rights and obligations a person has under the Kansas Workmen's Compensation Law if he or she is injured on the job.

WHAT IS WORKERS' COMPENSATION?

Workers' Compensation is an insurance plan provided by an employer to give injured workers certain benefits. The benefits are therefore normally paid by a private insurance company except where the employer is self-insured. These benefits include weekly compensation while one is off work over one week, medical expenses and help with vocational and physical rehabilitation. In addition an injured worker may be entitled to further compensation if he or she has any permanent disability from the injury.

THE IMPORTANT REQUIREMENT FOR FILING A WRITTEN CLAIM

The Kansas Workmen's Compensation Law has a time limit in which to make a claim. Therefore, one would be advised that if he or she wishes to proceed with a claim, they are required to file a written claim within 200 days of the occurrence of the accident or the last date compensation is paid in the way of weekly compensation or authorized medical treatment. This form should be filed even though a person is presently receiving weekly compensation or medical treatment. A written claim is filed with the employer, not with the Division of Workers' Compensation. The claim can be served upon the employer by (1) taking it to the employer and having the employer sign the receipt portion of the form; or by (2) sending it to the employer by certified mail and requesting a return receipt. A claim Form 15 can be obtained from the Division of Workers' Compensation.

WEEKLY BENEFITS FOR AN INJURED EMPLOYEE

The Kansas Workmen's Compensation Law requires that the employer or insurance carrier pay an injured worker 2/3 of the employee's gross average weekly wage up to the maximums listed below. Employees are not paid benefits for the first week they are off except medical benefits; however, if they are off over seven (7) days then they are entitled to receive weekly compensation (if off three (3) weeks employee can receive compensation for the first week). To determine the maximum that is applicable, check the maximum in effect for the year of the injury by the schedule below. The maximum in effect at the date of the injury does not change once set. Remember also that if 2/3 of the gross average weekly wage is below the maximum listed below, the actual amount one would receive would be only 2/3 of the gross average weekly wage.

MAXIMUM COMPENSATION SCHEDULE

Date of Injury	July 1, 1978 - June 30, 1979	\$129.06
Date of Injury	July 1, 1979 - June 30, 1980	\$148.00
Date of Injury	July 1, 1980 - June 30, 1981	\$170.00
Date of Injury	July 1, 1981 - June 30, 1982	\$187.00
Date of Injury	July 1, 1982 - June 30, 1983	\$204.00

Attch. 1

Weekly compensation is payable at the above rate until the doctor releases an employee to return to work; however, in no case can such payments exceed a total of \$100,000 for permanent total or \$75,000 for partial or temporary disability.

YOU MAY BE ENTITLED TO VOCATIONAL REHABILITATION SERVICES

The Division of Workers' Compensation by law provides services to injured workers who need vocational rehabilitation. Vocational rehabilitation may consist of training, on-the-job training or assistance in job placement. Our goal is to return injured workers to gainful employment as soon as possible. If you desire assistance, you may either phone or write the Rehabilitation Administrator, Division of Workers' Compensation, 535 Kansas Avenue, 6th Floor, Topeka, Kansas, 66603, telephone (913) 296-3441.

WHAT ARE THE MEDICAL AND HOSPITAL BENEFITS?

A person that has a work related injury is entitled to all medical treatment that may be needed to cure the worker from the effects of the injury. The employee and his employer and insurance company should work together in selecting a physician, but the employer has the right to choose the physician under the law. If the employee seeks treatment from a doctor not authorized by the employer, the insurance company is only liable up to \$350.00 toward such medical bills (\$150.00 on accidents occurring prior to July 1, 1981). An injured worker generally is entitled to reimbursement for mileage for trips to see the physician if the trip is over five (5) miles for the round trip. If the worker must hire transportation, this can also be reimbursed.

SETTLEMENT OF YOUR WORKERS' COMPENSATION CLAIM

When the doctor releases you to return to work, you may be entitled to further benefits because of a permanent disability from a work related injury. Compensation for permanent disability can be paid weekly or in a lump sum settlement by the employer, if self-insured, or your employer's insurance company. The law only allows so many weeks of compensation to certain listed members of the body (see Schedule List below). If your injury is outside the schedule, for example an injury to your back, your compensation generally is paid over a 415 week period.

It is realized that a settlement amount can be very important to an injured worker. Therefore, it is our suggestion that you contact the Division of Workers' Compensation if you have any questions on whether your settlement is being computed correctly. We would also point out that just because you have a job-related injury does not necessarily mean you are entitled to some type of settlement. Many claims involve the employee being off work a relatively short period of time and not have any permanent disability. Normally a permanent disability to the body as a whole (for example a back injury) is based on two factors, a disability rating as found by your treating doctor and the effect the injury has on your future employability in your regular occupation.

SCHEDULE LIST

<u>Accidental Injury Disability</u>	<u>Number Weeks Payable</u>	<u>Accidental Injury Disability</u>	<u>Number Weeks Payable</u>
Arm	210	Thumb	60
Forearm	200	1st (index) finger	37
Hand	150	2nd (middle) finger	30
Leg	200	3rd (ring) finger	20
Lower Leg	190	4th (little) finger	15
Foot	125	Great toe	30
Eye	120	Great toe, end joint	15
Hearing, both ears	110	Each other toe	10
Hearing, one ear	30	Each other toe, end joint	5

Amputation through a joint is considered loss to next higher schedule.

HOW TO COMPUTE A SETTLEMENT

(A) Amputation (example finger, foot, etc.): (1) Add weeks on applicable schedule to number of weeks healing period (additional weeks compensation allowed for time you are off work up to 10% of weeks on schedule, but no more than 15 weeks); (2) Multiply these weeks times your weekly compensation payment; (3) Subtract the amount of compensation previously paid. For partial or multiple amputations, contact the Division of Workers' Compensation.

(B) Loss of Use to Schedule Member (crippling but no amputation; example disabled arm, leg, finger, etc.): (1) Subtract weeks of compensation already paid to you from number of weeks on Schedule List; (2) Multiply this figure by percent of disability to the member; (3) Multiply this figure by your weekly compensation rate. (This give the total settlement due.) (Note: Healing period may be allowed in non-amputation cases.)

(C) Permanent Partial Disability to the Body (example back, shoulder, scheduled member and back, etc.): (1) First compute your weekly permanent partial compensation rate; this is done by multiplying your gross average weekly wage times your percent of disability; (2) Multiply this figure by .67 (cannot exceed maximum benefit listed on reverse side). (3) Subtract the number of weeks of compensation already paid to you from 415 weeks; (4) Multiply this figure by your permanent partial weekly rate. (This will give you the total settlement due.)

INFORMATION TO EMPLOYERS ON THE KANSAS WORKMEN'S COMPENSATION ACT

WHAT WORKERS' COMPENSATION IS

Workers' Compensation is an insurance plan provided by the employer (by law) to pay certain benefits to employees who are injured in accidents that arise out of and in the course of the employment. The first law in Kansas regarding workers' compensation was enacted in 1911 and has been changed considerably since that time. Initially, the law covered only hazardous employments and there were certain exemptions in regard to the number of employees. The present law, however, covers all employers in the state of Kansas no matter how many employees they have or the nature of the work, except where the employer has less than an estimated \$10,000 annual payroll in any calendar year. Wages paid to the employer or his immediate family are not used in the computation of the \$10,000 wage figure. Agricultural pursuits are exempted under the Workmen's Compensation Act.

HOW TO OBTAIN WORKERS' COMPENSATION COVERAGE FOR EMPLOYEES

Workers' Compensation is a private insurance plan where the benefits are *not paid by the state of Kansas*, but paid by the employer through his insurance carrier or a self-insurance plan. Self-insurance can only be allowed where there is application to the Division of Workers' Compensation and approval made by the Director. Normally a fairly large financial reserve and excess insurance is required. For information on self-insurance requirements, contact the Division of Workers' Compensation. To obtain insurance for employees, the employer should contact his insurance agent to obtain this insurance. Any difficulty an employer has in getting insurance should be referred to the Kansas Insurance Commissioner, Honorable Fletcher Bell, First Floor, State Office Building, Topeka, Kansas, 66612, telephone (913) 296-3071. Also the Insurance Commissioner can answer questions in regard to rates and the proper amount for the insurance premium in individual cases. The Kansas Division of Workers' Compensation has no jurisdiction in regard to setting premium rates.

BENEFITS EMPLOYEES ARE ENTITLED TO WHEN THEY ARE INJURED IN A JOB-RELATED ACCIDENT

When a worker is injured on the job, the worker is entitled to certain benefits while off work from his injury and also medical expenses and vocational rehabilitation assistance, if found eligible. Benefits are paid at the rate of $\frac{2}{3}$ of the employee's average weekly wage while the worker is off work up to a maximum amount based on a percentage of the state's average weekly wage. All medical benefits are paid to cure and/or relieve the worker of the effects of the injury. If an employee dies as a result of a job-related injury, the surviving spouse or dependents can receive compensation based on a rate of $\frac{66\frac{2}{3}}{100}$ of the employee's average weekly wage up to the applicable maximum amount. Any questions in regard to benefit levels should be referred to the Division of Workers' Compensation. Also the Division maintains a Claimant Advisory Section that will advise and help injured employees on their claims. The Division also has a special information sheet available for injured workers which can be ordered in quantity and contains complete dollar benefit information.

WHAT THE EMPLOYER SHOULD DO WHEN AN ACCIDENT OCCURS

The law does require an employer to furnish the Kansas Division of Workers' Compensation with a Form 1101A, Accident Report, if an employee is injured on the job. The employer should immediately report any accidents to his insurance carrier, and either the insurance carrier or the employer will submit the original Accident Report to the Division of Workers' Compensation. Self-insureds also should file the original Accident Report with the Division of Workers' Compensation.

CAN AN EMPLOYER OR AN EMPLOYEE ELECT OUT OF THE ACT?

An employer cannot elect out of the Act if he is mandatorily covered. The employee cannot waive his rights as to coverage under the Act. An employee is restricted from electing out of the Act except where the employee owns 10% or more of the corporate stock in the corporation for which he works. The election out of such by an employee who owns 10% or more of the corporate stock is done on a Form 50 which is furnished by the Division of Workers' Compensation and can be obtained by writing to the Division. An individual employer, partner or self-employer can elect to cover himself under the Act if desired. This is done by contacting your insurance agent and filing a Form 113 with the Division of Workers' Compensation.

This informational outlines provisions of the Kansas Workmen's Compensation Law. Complete statutes and regulations are found in Kansas Statutes Annotated and Kansas Administrative Regulations. Copies of the Workmen's Compensation Law and Rules are available from the Division of Workers' Compensation at a nominal cost. Billfold size benefit cards are also available in quantity and can be ordered from the Division of Workers' Compensation.

For information write the Kansas Division of Workers' Compensation, 535 Kansas Avenue, 6th Floor, Topeka, Kansas, 66603, telephone number (913) 296-3441.

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