

Approved: 3/7/97
Date

MINUTES OF THE HOUSE COMMITTEE ON BUSINESS, COMMERCE & LABOR.

The meeting was called to order by Chairman Al Lane at 9:07 a.m. on February 12, 1997 in Room 526-S of the Capitol.

All members were present except: Rep. David Adkins - excused
Rep. Dennis Wilson - excused

Committee staff present: Jerry Donaldson, Legislative Research Department
Bob Nugent, Revisor of Statutes
Bev Adams, Committee Secretary

Conferees appearing before the committee: Rep. Nancy Kirk
Rep. Phyllis Gilmore
Carl Myers, Asst. Professor at Washburn University
Albert Herdoiza, attorney from Kansas City
Terry Leatherman, KCCI
Phil Harness, Workers Compensation, KDHR

Others attending: See attached list

A motion was made by Rep. Grant to approve the minutes of January 14, 15, 16, and 17. The motion was seconded by Rep. Storm. The minutes were approved as written.

Hearing on: **HB 2122 - Social workers as authorized health care providers for purposes of workers compensation.**

Rep. Nancy Kirk appeared as a proponent of the bill which would add social workers to the list of approved health care providers for workers compensation cases. (see Attachment 1) She feels that this would give more choices, especially in rural areas, and may cost significantly less than care by psychiatrists and psychologists.

Rep. Phyllis Gilmore appeared as a proponent. The bill was introduced at the request of the Kansas Chapter of the National Association of Social Workers. She provided a balloon amendment that adds "clinical" to the definition of social workers listed as health care providers in the bill. (see Attachment 2)

Carl Myers, an assistant professor of social work at Washburn University and a licensed clinical social worker, appeared in support of the bill. He is a member of the Board of Directors of the Kansas Chapter of the National Association of Social Workers. He pointed out the need for the bill to read "social workers licensed at the clinical specialty level of practice." (see Attachment 3) He concluded his testimony by answering several questions from the committee.

Tamara J. Hawk, LSCSW, President, Kansas Chapter of the National Association of Social Workers, sent written testimony to be passed out to the committee. (see Attachment 4)

Albert Herdoiza, a workers compensation attorney from Kansas City, was introduced by Jolene Grabill of the Kansas Trial Lawyers. He appeared as a proponent of the bill to give a different perspective, that of an attorney. He handles workers comp cases across the State of Kansas. He said that as a practicing attorney he sees the practical effects of the bills enacted by the legislature. He has 250 cases pending for his worker comp clients. He thinks that this bill is a good idea and he doesn't see the problems that others see such as a floodgate of cases involving psychological disorders. He said that there are very few cases now that involve a referral to a psychiatrist or psychologist. He finished by answering questions from the committee.

Terry Leatherman, Executive Director of the Kansas Industrial Council, Kansas Chamber of Commerce and Industry (KCCI), appeared to make brief comments regarding the bill. The Kansas Chamber does not support or oppose the bill. The KCCI would also like the bill amended to read "clinical" before the phrase "social worker" to clarify the qualification of a social worker providing workers compensation health care services. They are also keeping a close eye on how this potential change in the law, coupled with legal decisions, might be expanding the borders of compensability in the area of workers compensation. (see Attachment 5) He ended his testimony by answering questions.

CONTINUATION SHEET

MINUTES OF THE HOUSE COMMITTEE ON BUSINESS, COMMERCE & LABOR, Room 526-S
Statehouse, at 9:07 a.m. on February 12, 1997.

A question was asked by Rep. Pauls if social workers were listed on the medical fee schedule for workers compensation payment. Phil Harness, Director, Division of Workers Compensation, Kansas Department of Human Resources (KDHR), answered from the audience that they are not now included.

No others were present to testify for or against the bill and Chairman Lane closed the hearing on **HB 2122**.

The meeting was adjourned at 9:45 a.m.

The next meeting is scheduled for February 13, 1997.

HOUSE BUSINESS, COMMERCE & LABOR COMMITTEE GUEST LIST

DATE: February 12, 1997

NAME	REPRESENTING
ALBERT HERDQIZM	KTLA
Allen M. Scoble	KTLA
Judy Campbell	R. Rice Law Office
Susan Baker	Hein + Weir
David Shufelt	Dept Human Resources - Div Work Comp
Phil Harless	KDHR - Div. of Workers Comp.
Carl S. Myers	Ks - NASW
Terry Leatherman	KCCI
Roy T. Detman	Dept. Administration - OPS
Henry Bori	" " "
Bill Curtis	Ks Assoc of School Bds
Deneza Sienauer	State Farm
JASON ROSEBORGER	BRAD SNEET
Sinda DeCoursey	Ks Insurance Dept.

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TOPEKA

HOUSE OF
REPRESENTATIVES

COMMITTEE ASSIGNMENTS
RANKING MINORITY MEMBER
INSURANCE
MEMBER
JUDICIARY
TAXATION

BUSINESS COMMERCE AND LABOR
Testimony on HB 2122

I want to thank the Committee Chair for his willingness to accommodate my committee schedule. I am here to lend my support for HB 2122 which would add social workers to the list of approved health care providers. This addition would provide employers with a broader range of choices in those instances when an employee is considered to be in need of counselling support.

Currently the employer is limited to a psychiatrist, or psychologist which eliminates a less expensive option. Often social workers in private practice work in a professional group which includes psychologists and psychiatrists. The decision as to which professional sees a particular patient depends upon the identified need. The cost to the patient for services provided by the social worker are significantly less than those provided by either the psychiatrist or psychologist in the same provider group. Under the current definition, employers in rural areas have few if any choices for counselling services for an employee. Adding social workers to this list would significantly increase the number of approved providers in rural areas.

As an employer, my first concern is the well being of my employee. Secondarily, I am interested in controlling the medical costs in each workers compensation case. Central to controlling the costs is my ability to choose from a range of health care providers. Adding social workers to this provider list increases my ability to control these costs.

*Business, Commerce
& Labor Committee
2/12/97
Attachment!*

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State of Kansas
House of Representatives



TOPEKA

PHYLLIS GILMORE
Representative, Twenty-Seventh District

February 12, 1997

COMMITTEE ASSIGNMENTS
CHAIRMAN: JOINT COMMITTEE ON CHILDREN
& FAMILIES
MEMBER: BUSINESS COMMERCE & LABOR
HEALTH & HUMAN SERVICES
JUDICIARY

TESTIMONY IN SUPPORT OF HOUSE BILL 2122

Chairman Lane and members of the Business, Commerce, and Labor Committee:

I greatly appreciate this opportunity to appear before you today to testify in support of HB 2122.

HB 2122 was introduced at the request of the Kansas Chapter of the National Association of Social Workers.

This bill, if enacted, would simply allow clinical social workers to be included in the list of health care providers under Section I (B) (i) of the Workers Compensation Act.

I have an amendment to the bill which simply inserts the wording, "clinical" between the words "or" and "social" on line 13, page 4 of the bill.

Clinical social workers are currently allowed to do third-party billing to insurance companies, often at a cost savings, since billing is usually at a lower rate than that of psychiatrists or psychologists.

The opposition to this bill appears to be a concern over opening the "floodgates" in regards to providers.

*Business, Commerce,
& Labor Committee
2/12/97
Attachment 2*

On Monday the Workers' Compensation Advisory Council failed to recommend HB 2122. An additional concern is that allowing counselling by social workers might increase the frequency of service.

For the purpose of disclosure, I am licensed as a clinical social worker in the State of Kansas. I have a private practice that is limited to the area of adoptions. However, because of the possible appearance of a conflict of interest, I will be abstaining from any committee or floor votes pertaining to this matter.

I appreciate Chairman Lane and this committee for scheduling this hearing on HB 2122 and would encourage favorable action on this bill.

Thank you and I would be pleased to stand for questions.

1 the injury did not result from the performance of tasks related to the
2 employee's normal job duties or as specifically instructed to be performed
3 by the employer.

4 (g) "Burden of proof" means the burden of a party to persuade the
5 trier of facts by a preponderance of the credible evidence that such party's
6 position on an issue is more probably true than not true on the basis of
7 the whole record.

8 (h) "Director" means the director of workers compensation as pro-
9 vided for in K.S.A. 75-5708 and amendments thereto.

10 (i) "Health care provider" means any person licensed, by the proper
11 licensing authority of this state, another state or the District of Columbia,
12 to practice medicine and surgery, osteopathy, chiropractic, dentistry, op-
13 tometry, podiatry or, psychology or *social work*.

14 (j) "Secretary" means the secretary of human resources.

15 (k) "Construction design professional" means any person who is an
16 architect, professional engineer, landscape architect or land surveyor who
17 has been issued a license by the state board of technical professions to
18 practice such technical profession in Kansas or any corporation organized
19 to render professional services through the practice of one or more of
20 such technical professions in Kansas under the professional corporation
21 law of Kansas or any corporation issued a certificate of authorization un-
22 der K.S.A. 74-7036 and amendments thereto to practice one or more of
23 such technical professions in Kansas.

24 (l) "Community service work" means: (1) Public or community serv-
25 ice performed as a result of a contract of diversion or of assignment to a
26 community corrections program or conservation camp or suspension of
27 sentence or as a condition of probation or in lieu of a fine imposed by
28 court order; or (2) public or community service or other work performed
29 as a requirement for receipt of any kind of public assistance in accordance
30 with any program administered by the secretary of social and rehabilita-
31 tion services.

32 (m) "Utilization review" means the initial evaluation of appropriate-
33 ness in terms of both the level and the quality of health care and health
34 services provided a patient, based on accepted standards of the health
35 care profession involved. Such evaluation is accomplished by means of a
36 system which identifies the utilization of health care services above the
37 usual range of utilization for such services, which is based on accepted
38 standards of the health care profession involved, and which refers in-
39 stances of possible inappropriate utilization to the director for referral to
40 a peer review committee.

41 (n) "Peer review" means an evaluation by a peer review committee
42 of the appropriateness, quality and cost of health care and health services
43 provided a patient, which is based on accepted standards of the health

clinical

2-3

2-3

Kansas State Legislature
House of Representatives
Business, Commerce and Labor Committee
February 12, 1997

RE: HB 2122

I am Carl Myers, an assistant professor of social work at Washburn University with teaching responsibilities in the areas of social policy and social work practice. I am also licensed and practice as a clinical social worker.

I thank you for the opportunity to briefly address HB 2122 which is endorsed by the Kansas Chapter of the National Association of Social Workers. I am speaking today on behalf of the association as a member of the board of directors. The chapter president, Mrs. Hawk has provided written testimony which is being distributed, but was unable to attend today's hearing.

HB 2122 is amended to include social workers along with psychologists as health care providers of services under Workers Compensation. To reflect what we believe to be the necessary level of training and experience for inclusion under the definitions of health care providers under this act, the amendment should read "social workers licensed at the clinical specialty level of practice."

The Licensed Specialist Clinical Social Worker, (LSCSW) is the highest level of licensing among social work practitioners. The qualifications for the clinical level include a masters degree in social work, 3,000 hours of documented Post-MSW supervised practice, 60 hours of continuing education, letters of references, and successful performance on a nationally standardized written examination administered by the Kansas Behavioral Sciences Regulatory Board. Generally, to qualify for the LSCSW requires a minimum of two years of training and experience beyond the master's degree in social work.

The amendment to include licensed clinical social workers as providers of mental health services under Workers Compensation is appropriate public policy for several important reasons. First, licensed clinical social workers are currently recognized as health care providers under most insurance and managed care programs offering outpatient mental health benefits. To exclude them as providers under Workers Compensation is inconsistent with well established and legislatively sanctioned methods of third-party reimbursement in the current mental health service delivery system.

*Business, Commerce
& Labor Committee
2/12/97
Attachment 3*

Second, the professional training, experience and methods of clinical social work practice is dedicated to the treatment and resolution of psycho-social dysfunction.

Considering the purpose of Workers Compensation, mental health services provided by psychologists, psychiatrists and clinical social workers are directed at mitigating the emotional/psychological effects of a work related injury with the goal of restoring or enhancing capacities to return the claimant to self-sufficiency as soon as possible. Mental health services are provided under Workers Compensation only when the emotional/psychological dysfunction is considered to be a secondary but compounding consequence of a work related injury or accident. While I cannot cite the actual statistics of the utilization of mental health services under Workers Compensation, I am of the opinion that a relatively small percentage of the total number of claimants suffer mental health complications from work related injuries. I assert that the inclusion of Licensed Clinical Social Workers will not bring about over-utilization of Workers Compensation funds, thus driving up costs. If there is a fiscal impact, I believe it would actually lower costs to the program since the fees of clinical social workers are considerably less than those of psychologists and psychiatrists. Further, I understand that in order to seek mental health services covered under Workers Compensation, the claimant must be directly referred by the company's doctor. This is, of course, another check against any potential for inappropriate utilization of the benefit.

Finally, perhaps the most compelling reason that clinical social workers should be included as health care providers under Workers Compensation, is the issue of access to mental health services by claimants, especially in more rural areas of the state. At the present time, there are estimated to be only 400 psychiatrists, and 350 psychologists licensed for practice in Kansas. In contrast, there are 1,230 licensed clinical social workers in public and private practice across the state. When mental health services are deemed necessary and appropriate, availability of a qualified practitioner and timely delivery of care is essential to recovery.

Thank-you for your thoughtful consideration of this issue.

Carl S. Myers, LSCSW, ACSW
Assnt. Prof. Social Work
Washburn University
(913-231-1010 ext. 1618)

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Kansas Chapter, National Association of Social Workers

Date: February 11, 1997

To: Rep. Al Lane, Chairman

And members of the House Business, Commerce and Labor Committee

From: Tamara J. Hawk, LCSW, President, Kansas Chapter, NASW

RE: HB 2122 Social Workers and Worker's Compensation

I appreciate the opportunity to give written testimony to this bill, and want to add these points to previous testimony by other social workers.

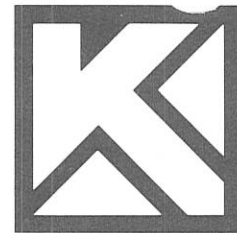
- *Clinical social workers (LCSW's) are the largest providers of mental health services in Kansas.*
- *Unlike psychologists and psychiatrists who are clustered in the urban areas, clinical social workers work in every county of Kansas.*
- *Increasing clinical social work providers has been shown to drive down the cost of services; many managed care companies now see social workers as their first referral.*
- *Treating the mental health of and providing case management services for the injured and disabled has become an increased area of specialty for social workers.*
- *Clinical Social Workers are often self-employed in small corporations. They are subject to and pay the same taxes to the Kansas Employment Security Fund that other business owners pay. Yet we are not allowed to fully participate as providers.*
- *Unlike psychologists whose focus is on "psychological processes," or psychiatrists who focus on medical components of mental illness, clinical social workers have a dual focus, "the client in the environment." Like other businesses, social workers work under competitive conditions, and our viability is dependent on returning the person to a fully functioning condition as soon as possible.*
- *Professional social workers work in collaboration with other specialists who value a broad assessment of the patient's functioning, the flexibility to address these problems in the patient's home, work system, or our offices.*
- *I have included some case summaries from individuals in some of your districts to demonstrate how social work addresses problems in the work environment.*

Thank you for your attention to HB 2122.

*Business, Commerce
& Labor Committee
2/12/97
Attachment 4*

LEGISLATIVE TESTIMONY

Kansas Chamber of Commerce and Industry



835 SW Topeka Blvd. Topeka, Kansas 66612-1671 (913) 357-6321 FAX (913) 357-4732
HB 2122

February 12, 1997

KANSAS CHAMBER OF COMMERCE AND INDUSTRY

Testimony Before the

House Committee on Business, Commerce and Labor

by
Terry Leatherman
Executive Director
Kansas Industrial Council

Mr. Chairman and members of the Committee:

My name is Terry Leatherman, with the Kansas Chamber of Commerce and Industry. Thank you for the opportunity to make brief comments regarding HB 2122, a bill the Kansas Chamber does not support or oppose.

The Kansas Chamber of Commerce and Industry (KCCI) is a statewide organization dedicated to the promotion of economic growth and job creation within Kansas, and to the protection and support of the private competitive enterprise system.

KCCI is comprised of more than 3,000 businesses which includes 200 local and regional chambers of commerce and trade organizations which represent over 161,000 business men and women. The organization represents both large and small employers in Kansas, with 46% of KCCI's members having less than 25 employees, and 77% having less than 100 employees. KCCI receives no government funding.

The KCCI Board of Directors establishes policies through the work of hundreds of the organization's members who make up its various committees. These policies are the guiding principles of the organization and translate into views such as those expressed here.

First, KCCI would respectfully request that if the Committee is inclined to approve the bill, it be amended by adding the word "clinical" before the phrase "social work" on page 4, line 13, of the bill.

This amendment would clarify the qualification of a social worker providing workers compensation health care services.

*Business, Commerce
& Labor Committee
2/12/97
Attachment 5*

A final point concerns why there are members of the business community nervous about HB 2122. Workers compensation is intended to be an employer financed process to insure an employee will receive care and compensation when they suffer a physical injury at work. Employer attention is heightened when it appears workers compensation is entering the realm of care for mental problems for a worker. Movement in this direction would not only be expensive, but it is also a difficult medical area to relate to the work place, and beyond the intended scope of workers compensation.

HB 2122 does not propose to expand workers compensation's responsibility to care for psychological disorders. As a result, KCCI has no position on this bill. However, KCCI will keep a close eye on how this potential change in the law, coupled with legal decisions, might be expanding the borders of compensability in the area of workers compensation.

Mr. Chairman, thank you for the opportunity to comment on HB 2122. I would be happy to answer any questions.

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