

## **MINUTES**

### **MONTANA HOUSE OF REPRESENTATIVES 53rd LEGISLATURE - REGULAR SESSION**

#### **COMMITTEE ON LABOR & EMPLOYMENT RELATIONS**

**Call to Order:** By Chairman Tom Nelson, on March 16, 1993, at  
3:00 p.m.

#### **ROLL CALL**

##### **Members Present:**

Rep. Tom Nelson, Chair (R)  
Rep. Gary Feland, Vice Chair (R)  
Rep. Steve Benedict (R)  
Rep. Vicki Cocchiarella (D)  
Rep. Jerry Driscoll (D)  
Rep. Alvin Ellis (R)  
Rep. Pat Galvin (D)  
Rep. Sonny Hanson (R)  
Rep. Norm Mills (R)  
Rep. Bob Pavlovich (D)  
Rep. Bruce Simon (R)  
Rep. Carolyn Squires (D)  
Rep. Bill Tash (R)  
Rep. Rolph Tunby (R)  
Rep. Carley Tuss (D)  
Rep. Tim Whalen (D)

**Members Excused:** None

**Members Absent:** None

**Staff Present:** Susan Fox, Legislative Council  
Cherri Schmaus, Committee Secretary

**Please Note:** These are summary minutes. Testimony and  
discussion are paraphrased and condensed.

##### **Committee Business Summary:**

Hearing: HB 361, HB 622, SB 347, HB 628, SB 163,  
SB 164, HB 453, SB 394, HB 504, HB 13,  
HB 511 & HB 587

Executive Action: None

#### **PACKAGE OF BILLS FROM THE SELECT COMMITTEE ON WORKERS COMP**

##### **Opening Statement by Sponsor:**

REP. CHASE HIBBARD, HD 46, Lewis and Clark County, sponsor,

opened the hearing by handing out an outline of the bills to be presented and the order of their presentation. **EXHIBIT #1** He told the committee and the audience that the intent of the Workers' Compensation Select Committee was to have a non-partisan committee with three republicans and three democrats. He stated that everyone gives including employers and insurers. The package includes provisions for fraud, safety and a data base for lawyers and medical providers. The intent of this package of bills is to provide solutions to today's problems. He presented the committee with a outline for the major areas of reform (**EXHIBIT #2**)

#### HB 361

**REP. HIBBARD** stated that this bill contains key components to reform benefits and medical definitions under workers' compensation laws. This bill was modeled after a similar bill in Oregon state. The focus of HB 361 is access of benefits, rather than reduction. Furthermore, this bill redefines injury. Pain is no longer compensable. A heart attack and stroke are considered an injury. Benefits are only paid if the major contributing factor is due to the injury. For example, if alcohol and drugs are the major contributing factor, that individual is not covered or compensable.

#### HB 622

**REP. HIBBARD** stated that this bill is a catch all bill. The intent of this bill is to encourage early return to work and to create temporary partial benefits. Medical benefits are available to the worker unless these benefits are not used for a period of 60 months.

#### SB 347

**REP. HIBBARD** stated that the intent of this bill is to deliver timely and effective care for injured workers. Submanagement care must be referred to a specialist. This bill encourages insurers to provide preferred providers. The Department of Labor plays a neutral role. Hospital rates reimburse at the same rate as Medicare, but not less than their current rates. The passage of this bill will limit domiciliary care to eight hours per day. He told the committee to consider this bill very carefully because it is essential to control medical costs.

#### HB 628

**REP. HIBBARD** stated that the intent of this bill is to provide managed care for workers' compensation and limit the choice of physicians. This bill deals with more severe injuries than HB 347. He urged the committee to consider not implementing this bill.

SB 163

REP. HIBBARD stated that this bill will prevent injuries before they occur and will focus on safety. A business with five or more employees will be required to establish a safety committee and a Line of Duty (LOD) procedure. Furthermore, this bill will provide student safety awareness training before these students enter the work force full-time. REP. HIBBARD stated that the passage of this bill is very important to the package.

SB 164

REP. HIBBARD stated that this bill deals with prevention. The purpose of SB 164 is to create a fraud investigation office in the Department of Justice and a prevention of fraud office at the State Fund. This bill will allow the State Fund to send the message that fraud won't be tolerated and to give them the tools they need to enforce fraud provisions.

HB 453

REP. HIBBARD stated that this bill complements the fraud provisions in SB 164. The passage of this bill will make thieves pay ten times the amount that would be paid by an insurer on the false claim..

HB 622

REP. HIBBARD stated that this bill is a catch-all bill. The purpose of the bill is to generally revise workers' compensation and occupational disease laws. Everyone is subject to the same rules under this bill. A lawyer who does not pay will be charged with fraud.

SB 394

REP. HIBBARD stated that the passage of this bill will regulate attorney fees for workers' compensation cases.

HB 504

REP. HIBBARD stated that the passage of this bill is necessary to get out from under the problems in workers' compensation more quickly. This bill increases the payroll tax and imposes an employee wage tax to eliminate the old fund unfunded liability.

HB 13

REP. HIBBARD stated that the purpose of this bill is to generally revise workers' compensation laws and to revise the State Fund's budget and funding procedures. The passage of this bill makes sure all findings are reported to the Governor.

HB 511

REP. HIBBARD stated that the purpose of HB 511 is to create a workers' compensation database system to compile management information on the system. The passage of this bill will include plan 1 and 2 carriers, and State Fund.

HB 587

REP. HIBBARD stated that the passage of this bill will revise workers' compensation classification and rating committee provisions.

Proponents' Testimony:

REP. STEVE BENEDICT stated that he was the vice chairman on the Workers' Compensation Select Committee. He passed out amendments on HB 13 (EXHIBIT #3). He stated that he supports the recommendations of REP. HIBBARD. He stated that the proposed amendments make the bill more clear to the public. Furthermore, the passage of this bill (with the amendments) will put the State Fund in a better position and allow the Governor to authorize privatization.

He stated that HB 504 allows the old fund to borrow from the new fund premiums.

REP. EWER, HD 45, commended the select committee on all of their hard work. He stated his concern with privatization. He urged the committee to make careful consideration when changing the package because everyone wants the package to get through.

Rose Hughes, Executive Secretary of the Montana Health Care Association, stated that her organization supports HB 13 with the purposed amendments.

She stated that she is concerned with HB 511 because her organization feels that Montana doesn't have the same information as the other states.

She referred to the outline and stated that this package covers all the necessary subjects dealing with workers' compensation.

Rick Hill, Governor's Office, stated that he is testifying on behalf of Governor Racicot. The Governor feels that workers' compensation is one of the most important issues confronting Montana today. He stated that most of the bills in this package were requested by the Governor and he is prepared to help the State Fund anyway possible.

Beth Baker, Department of Justice, stated that the passage of SB 164 will add three new positions for fraud investigation. This bill will also help stop the abuse of workers' compensation. She stated that her organization would like to be on the record in support of SB 164.

**George Wood, Executive Secretary of the Montana Self Insurance Association,** stated that his organization is opposed to HB 504 because of the payroll tax.

He stated his concern with HB 511's cost to the Department of Labor. Furthermore, he stated that stress is a great concern in the United States, but it is hard to categorize stressful situations that will reflect on workers.

He stated that HB 622 needs to be clarified dealing with temporary partial disability benefits. Presently the way the bill is drafted, temporary partial disability claims would receive more than total disability claims.

**Don Allen, Coalition of Workers' Compensation System Improvement,** stated that there are 215 businesses and organizations in the coalition. Several of them felt that bringing concepts together would help resolve the workers' compensation problems. He stated that his organization does not take a stand on HB 13, but has a strong endorsement on HB's 631, 622, and SB's 163, 164, 347, and 394.

**Terry Mitton, Coalition of Workers' Compensation System Improvement,** stated that prescription drugs need some control. Furthermore, Montana needs to follow the national standards on managed care. She stated that injured workers want to expedite their return to work. Compliance with medical treatment is necessary. If the patients don't make their appointments, the Department won't work with them.

**Pat Sweeney, State Fund,** stated that his organization generally supports the entire package of bills because it gives the tools to control the costs in workers' compensation.

**Mike Micone, Montana Motor Carriers,** stated that rates for motorists have increased and will continue to increase to a double digit number. He proposed an amendment so that several small carriers can combine into a group to get policies as a group and receive some cost reduction. Furthermore, this may encourage private carriers also to set up policies in this state.

**Riley Johnson, National Federation of Independent Businesses,** stated that HB 511 needs to be researched more. Computers will save time, but cost millions.

He stated that 80 percent of his members don't want payroll tax.

He stated that he supports HB 361 and HB 622 as well as the four bill's sponsored by **SEN. HARP.**

He stated that his organization had several concerns with HB 13; however, with the amendments, they support it. His organization has a 90 percent favoritism for privatization. He stated that an amendment needs to be proposed to support the small businesses.

**Russ Logan, Billings Chamber of Commerce**, stated that he supports the package and understands the give and take; however, he thinks it is a necessity to make sure the new fund is financially liable in HB 504.

He stated that SB 347 excludes those in the medical community.

**James Tutwiler, Chamber of Commerce**, stated that he supports the following bills: HB 13 with the amendments, HB 361, HB 622, SB 163, SB 164, and SB 347.

He stated that his organization is opposed to HB 504 because of the payroll tax.

**Paul Spetanka, Podiatric Medical Association**, stated that his organization supports medical cost containment in HB 347 and HB 628; however, he suggested that podiatrists be considered physicians.

**Charles Brooks, Montana Retail Association**, stated that perception is 90 percent of reality. Currently there are 6 workers' compensation cases in the court that can't proceed with prosecution because of the poor condition they are in.

**Oliver Goe, attorney**, commended the select committee and their accomplishments. He stated that HB 361 clarifies who, when and where an individual will qualify for workers' compensation.

He stated that HB 622 clarifies, provides and insures employers rights under the Workers' Compensation Act.

He stated that safety is an important issue; however, his concern is with the potential costs.

He stated that SB 164 affects all insurers.

Insurers can use SB 347 as a tool to handle the increased medical costs.

He stated that he is opposed to HB 511 because it needs added clarification as to what to do with the money.

He stated that HB 628 is a good bill, but he is curious how it will fit in with SB 374.

**Bill Prevella, Rehabilitation Association of Montana**, stated that his organization's goal this session is to keep workers properly informed. He stated that honesty to employees will make them return to work more quickly.

**Mona Jameson, PT Association**, stated that her organization supports HB 13 with the proposed amendments. HB 13 will improve the operation of the State Fund.

She stated that her organization would like to see physical therapists included in the scope of the bill and placed in the health loop as a provider.

**Gary Lusane, a physical therapist in Bozeman,** stated that his organization supports SB 163, SB 164 and HB 511.

**Jerome Connolly, Montana Chamber American Physical Therapist Association and a physical therapist in Billings,** stated that he supports the package, especially HB 622 because it will return employees to work faster.

**Jamey Doggett, Montana Cattlemen,** stated that her organization supports HB's 13, 511, 622, 361 and SB's 163, 164, and 394.

**Jacqueline Lenmark, American Insurance Association,** stated that her organization supports the package, but has a concern with SB 347 dealing with rural workers and emergency care.

**Keith Olsen, Executive Officer of Montana Logging Association,** stated that his organization supports Senator Harp's bills. He stated that today it is cost versus value. This package may provide a competitive advantage for Montana.

**Harley Thompson, Building Industry Association,** stated that his organization supports SB's 163, 164, 347 and HB's 361 and 622. He stated that they feel that this package will repair the mess that workers' compensation is in at the current time.

**Mark Sonyu, Workers' Compensation System Improvement,** stated that his organization supports the package.

**Russ Ritter, Washington Corporation,** stated that there are 3,000 employees in his company. All of these employees are covered under this system except about 800 Rail Link employees.

**Sam Hubbard, Deaconess Medical Hospital in Billings,** stated that his organization is in support of SB 347 because of the medical cost containment.

**Bob Olsen, Montana Hospital Association,** stated that his organization supports HB 511 and all of the fraud bills.

**Leslie Ranch, General Well service, (EXHIBIT #4).**

**Tom Arvidson (EXHIBIT #5).**

**Edsall Construction (EXHIBIT #6).**

**Dolphin Harris, President of Sidney Millwork Company (EXHIBIT #7).**

**Ardine (Dean) Bjerke (EXHIBIT #8).**

**Harley Thompson, Montana Building Industry Association to the Coalition for Workers Compensation System Improvement (CWCSI), (EXHIBIT #9).**

**Michael Mizenko, Montana State Association of Plumbers and Pipe Fitters and Montana State Building and Construction Council, (EXHIBIT #10).**

**Opponents' Testimony:**

**Dan Edward, Oil Chemical Workers' Union,** provided the committee with a handout called titled "OCAN". (EXHIBIT #18)  
He stated that not all employees who are hurt on the job are involved in fraud. Most of employees are honest and hard working. He stated that his biggest concern is with the language that provides secondary medical services on returning employees back to work. He asked who decides what is cost effective? He stated that the passage of these bills may be hurting those who need the most help.

**Don Judge, Montana AFL-CIO,** stated that his organization is opposed to HB's 361 and 504 and SB's 347 and 394. Furthermore, his organization supports HB's 511, 622, 628 and SB 163.

He stated that his concern with HB 361 is that it limits workers benefits, on one part of the body, to 350 weeks rather than an entire lifetime.

He stated that HB 511 is a good bill and he believed it would help correct the problems by providing the information needed in order to make decisions.

He stated that SB 347 is the worst bill in the package because if an employee is seriously hurt on the job, they are fixed and that is the extent of their coverage. These injured employees don't receive benefits for emotional stress or anything that may arise at a later date, due to the accident.

He stated that SB 394 limits attorney fees and should be listed under cost containment. Furthermore, it limits benefits to injured workers, not costs. He urged the committee to vote on this bill separately and not part of the package.

**John Alke, Montana Defense Lawyers,** stated that his interest deals with the amendment on SB 394. Capping the money insurers can pay their counsel is unreasonable because currently there is no limit for the defense. He asked how workers' compensation will be served after 100 hours of work is performed and the lawyer must stop.

**John Malee, Montana Federation of Teachers and State Employees,** stated that his organization is opposed to the package on workers' compensation.



**Russell Hill, Montana Trial Lawyers**, stated that HB 361 provides potential for added costs.

He stated that SB 164 will provide a new risk and burden to employees. He provided the committee with several handouts.

(EXHIBITS # 11, 12, 13, 14, AND 15)

**Dan Shea, self**, provided the committee with written testimony. (EXHIBIT # 16 AND #19). He stated that the working poor are the majority of the work force and he feels they are not represented in this legislation. He asked where the money comes from for the necessary visits to their physicians. He stated that these employees fall into a catch 22 situation. He referred to the letter he provided the committee and stated that it provides solutions of how to deal with this situation. These people are denied equal protection of the law and can't afford the co-payments. He stated that if the attorney fees are capped, the defense also needs a cap. If this cap does not occur, defense will wait until the attorney is no longer on the case and win the case. Furthermore, the number for this cap seems to be picked out of a hat with no rationale behind it. He stated that if they put a cap on medical, everyone would be out of time.

**Lars Erickson, Montana State Council for Carpenters**, stated that his organization supports HB's 511, 622, 628 and SB's 163 and 164. He stated that his organization is opposed to HB's 504, 361 and SB 394 and SB 347. He stated that SB 347 is the worst bill in the package.

**Bill Egan, Conference of Electrical Workers**, stated that his organization doesn't support workers' compensation in the first place because it eliminates due process. He stated that his organization is opposed to HB 504 and HB 361. Furthermore, his organization supports SB 394 if there could be caps on both sides of the fence. They also support SB 347 as amended. He stated that the baby should not be thrown out with the bath water.

**Marie Gritzuk, Interdepartmental Coordinating Committee for Women (ICCW)**, (EXHIBIT #17).

Questions From Committee Members and Responses:

**REP. DRISCOLL** referred to SB 394 and asked John Alke if \$7,500 is the maximum that can be spent to defend against insurance companies? Furthermore, he asked if they could still hire a staff attorney?

**John Alke** stated that not all workers' compensation claims are with the State Fund.

**REP. DRISCOLL** asked Mr. Alke if he thinks \$7,500 is a good limit?

**John Alke** stated no.

**REP. ELLIS** asked George Wood what data would be relevant if the United States works with Canada on a common database?

**George Wood** stated that he anticipates the standards to become international.

**REP. ELLIS** asked Mr. Wood if the standards becomes international would his organization still have a problem supporting this bill? Furthermore, he asked if he felt there were any bases not covered or any deficiencies?

**George Wood** stated no, that he would strongly support it. He stated that he feels legislation is needed in this area.

**REP. WHALEN** asked **REP. HIBBARD** what the Labor Committee's authority is with this package.

**REP. HIBBARD** stated that the Labor Committee has the authority to segregate or clean up the package.

**REP. WHALEN** asked Russell Hill if there is room for disagreement on medical standings on HB 622 page 44 and 45, section 19.

**Russell Hill** stated that he sees a problem arising with the massive shift to insurance companies away from attorneys and doctors. Furthermore this shifting will create a huge grey area.

**REP. WHALEN** asked Mr. Connolly if health care providers can be penalized with fraud if they render the wrong opinion.

**Mr. Connolly** stated yes, this is a concern for many health care providers.

**REP. SIMON** asked Mr. Sweeney what the present capabilities are with the data base. He also asked what data would be able to be collected that can't be collected now?

**Mr. Sweeney** stated that they have capabilities to analyze each level of payroll. He stated that a number of things can be done now and gave an example of data sharing.

**REP. SIMON** asked **REP. HIBBARD** how the process would go about estimating blood alcohol and if an employee can refuse the test if they have been drinking?

**REP. HIBBARD** referred him to Nancy Butler with State Fund. She stated that several of the cases are accidents. If a blood alcohol is not taken, they look to see if alcohol is a major contributing factor.

**REP. SIMON** asked Nancy Butler how they can estimate a blood alcohol?

**Nancy Butler** stated that it is up to the doctor to order a blood

alcohol test if he/she believes the patient is involved with alcohol.

**REP. SIMON** referred to HB 13 and asked **REP. BENEDICT** because Workers' Compensation would be audited on an annual basis, if an appropriations should be added to the Legislative Auditor.

**REP. BENEDICT** stated that he has talked with the Legislative Auditor and they have not requested any money.

**REP. MILLS** asked Mr. Sweeney if his organization has a computer complex to take care of the data base?

**Mr. Sweeney** stated yes.

**REP. MILLS** asked Mr. Sweeney if this will protect fraud and repetitive injuries on the same individuals at the same time.

**Mr. Sweeney** stated yes, workers' compensation wants to replace and enhance the current system.

**REP. ELLIS** asked George Wood if he knows of any system or state that defines stress better than Montana?

**George Wood** stated no, everyone has a hard time defining stress.

**REP. ELLIS** asked **SEN. HARP** if his bill conflicts with **REP. TOOLE's** bill.

**SEN. HARP** stated that he thinks they will stand on their own; furthermore, he stated that his bill has already passed. The two bills can't be combined because they are very different.

**REP. COCCHIARELLA** asked John Shontz, **MHAM**, if Montana is prohibited from discrimination between physical and mental illness for coverage.

**John Shontz** stated that addictions and stress in themselves are not mental illnesses.

**REP. BENEDICT** asked John Shontz if his organization is trying to persuade the committee with his testimony?

**John Shontz** stated that his organization is not trying to persuade, but just to suggest that addiction and stress are not mental illnesses.

**REP. DRISCOLL** asked Mr. Shontz how a person's work can be responsible for manic depression.

**Mr. Shontz** told **REP. DRISCOLL** that a good example would be an employee who is not fed correctly and lacks necessary nutrients.

**REP. DRISCOLL** asked Mr. Shontz why his scenario would not be

covered under Occupational Disease. Furthermore, he asked how long this manic depression would take to occur under the scenario given.

**REP. SQUIRES** stated that it could be as little as two days. One of the effects could be a heart attack.

**REP. SQUIRES** told **REP. HIBBARD** her concern with **SEN. HARP's** bill is the length of time an individual can have coverage. She stated that patients with head injuries can become impulsive and need more than eight hours of care per day.

**REP. HIBBARD** stated that workers' compensation costs money and the first dollar is the insurer's dollar; therefore, there must be a limit on costs.

**REP. SQUIRES** asked Bob Olsen if he is comfortable with the hospital reimbursement rates.

**Bob Olsen** stated that yes, he is satisfied because a DRG system will be created by the Department of Labor

**REP. SQUIRES** asked Mr. Allen what the current Chief of the Safety Director does to encourage safety?

**Mr. Allen** stated that Mr. Allen has his own business in Kalispell and he sponsors several safety seminars; furthermore, he has worked with various committees dealing with safety.

**REP. WHALEN** asked John Connolly if HB 361 changes the standards so that the objective of the test is to find the injury, document it and then give potential treatment?

**John Connolly** stated yes.

**REP. WHALEN** asked Mr. Connolly if a soft tissue injury produces a finding on an objective test because his experiences with this are that they compare one side of the body to the other.

**REP. WHALEN** asked if there is a way of objectifying pain or if it is just considered a condition that exists.

**REP. HIBBARD** stated that the subcommittee on workers' compensation spent many hours on pain. He stated that he shares the same concern; however, these objective tests are performed by professionals. In other words, these patients can not fake their pain.

**REP. WHALEN** asked Mr. Sweeney if MAPA is in or out of the bill now?

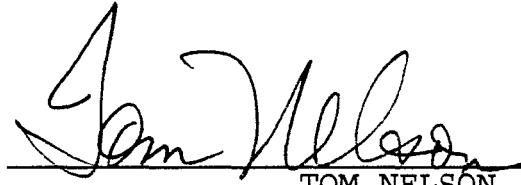
**Mr. Sweeney** stated that MAPA is back in now. He stated that MAPA is a stumbling block; however, state fund can live under MAPA for rate-making purposes.

Closing by Sponsor:

REP. HIBBARD closed on the package by encouraging the committee to step away from where they are and not to lose the forest in the trees. He told the committee that they had just heard the basic ingredients to repair workers' compensation. Montana is not Oregon, but with reforms Montana can use the ingredients to improve workers' compensation.

ADJOURNMENT

Adjournment: CHAIRMAN NELSON adjourned the meeting at 7:00 p.m.

  
TOM NELSON, Chair

  
CHERRI SCHMAUS, Secretary

TN/CS

HOUSE OF REPRESENTATIVES

LABOR

**COMMITTEE**

## ROLL CALL

**DATE**

3/16/93

[illegible]

DATE 3/16/93

HB W.C. Package

## WORKERS COMPENSATION PACKAGE OUTLINE

### I MAJOR AREAS OF REFORM

#### A. MODIFYING OR RESTRICTING ACCESS TO BENEFITS

- 1. HB 361 HIBBARD
- 2. HB 622 EWER (PARTS)

#### B. MEDICAL COST CONTAINMENT

- 1. SB 347 HARP
- 2. HB 628 TOOLE

#### C. SAFETY

- 1. SB 163 HARP

#### D. FRAUD

- 1. SB 164 HARP
- 2. HB 453 MOLNAR
- 3. HB 622 EWER (AMENDMENTS)

#### E. ATTORNEY FEES

- 1. SB 394 HARP

### II OLD FUND PROBLEM

#### A. PAYING FOR THE UNFUNDED LIABILITY (\$400 -426 MM)

- 1. HB 504 BENEDICT .05% PAYROLL TAX

### III NEW FUND MANAGEMENT AND BOARD

- A. HB 13 BENEDICT
- B. HB 622 (AMENDMENTS)

### IV SYSTEM IN GENERAL

- A. HB 511 HIBBARD
- B. HB 587 HARPER
- C. HB 622 EWER (PARTS)

### V BILLS SIGNIFICANT BUT NOT PART OF THE PACKAGE

- A. HB 470 DRISCOLL - INDEPENDENT CONTRACTORS  
SCHEDULED HEARING TUESDAY AT 3:00 PM IN SENATE  
LABOR - ALREADY PASSED HOUSE LABOR

THIS BILL REQUIRES ALL INDEPENDENT CONTRACTORS IN THE CONSTRUCTION INDUSTRY TO PURCHASE WORKER'S COMPENSATION COVERAGE, AND THEY ARE NOT ALLOWED TO EXEMPT THEMSELVES FROM COVERAGE.

ALSO PROVIDES THAT THE DEPARTMENT OF LABOR WILL PURSUE REPORTS OF UNINSURED INDEPENDENT CONTRACTORS.



B. HB 487      BRANDEWIE - CONSTITUTIONAL AMENDMENT

THIS BILL PROVIDES FOR A CONSTITUTIONAL AMENDMENT TO BE PLACED ON THE BALLOT. IT ASSERTS CONSTITUTIONALLY THE RIGHT OF THE LEGISLATURE TO ESTABLISH ELIGIBILITY FOR WORKER'S COMPENSATION BENEFITS AND SET LIMITS ON BENEFITS.

C. SB 381      FORRESTER - PENALIZE EMPLOYER FOR MIS-CLASSIFICATION

D. HB 296      DRISCOLL - RECIPROCITY BILL

THIS BILL PROVIDES THAT EMPLOYERS IN THE CONSTRUCTION INDUSTRY THAT WORK IN MONTANA, MUST PURCHASE MONTANA COVERAGE ON ALL EMPLOYEES. MONTANA WILL NO LONGER RECOGNIZE OUT-OF-STATE COVERAGE FOR NON-RESIDENTS FOR THE CONSTRUCTION INDUSTRY.

THIS BILL PUTS OUR MONTANA CONSTRUCTION INDUSTRY EMPLOYERS ON AN EQUAL FOOTING WITH OUT-OF-STATE EMPLOYERS WHO MAY BE PAYING CHEAPER WORKER'S COMPENSATION RATES.

E. SB 256      SWYSGOOD - NON RESIDENT COVERAGE (MERGED WITH HB 296 AND PASSED HOUSE LABOR) - ALLOW MONTANA EMPLOYERS WHO HAVE NON-RESIDENTS WHO DO NOT WORK IN MONTANA, SUCH AS IN THE INTERSTATE TRUCKING INDUSTRY, THE OPPORTUNITY TO ELECT COVERAGE FOR THOSE NON-RESIDENTS.

THIS PROVISION HELPS OUT OUR MONTANA BASED EMPLOYERS WHO HAVE EMPLOYEES ACROSS THE UNITED STATES.

F. HB 259 - SCHWINDEN (PASSED HOUSE -3RD READING- SENATE - 3/12/93)

THIS BILL STATES THAT A WORKER IS NOT CONSIDERED AN EMPLOYEE WHILE PARTICIPATING IN RECREATIONAL ACTIVITY AND ALSO NOT PERFORMING WORK DUTIES, IF USING A PASS, PERMIT OR OTHER EMPLOYER PROVIDED BENEFIT.

OR IS PERFORMING VOLUNTARY SERVICE AT A RECREATIONAL FACILITY AND IS GETTING NO COMPENSATION OTHER THAN MEALS, LODGING OR USE OF RECREATIONAL FACILITIES.

3-16-93  
H.C. Package

THIS BILL IS SPECIFICALLY TO ADDRESS SKIING BY SKI HILL EMPLOYEES ON A PASS WHEN NOT WORKING. IN OTHER JURISDICTIONS, IT HAS BEEN DETERMINED THAT EVEN WHEN RECREATING THE EMPLOYEE IS COVERED IF THE EMPLOYER PROVIDED THE PASS AND PERHAPS EXPECTED THE EMPLOYEE TO BE ALERT TO DANGERS ON THE HILL SO AS TO WARN THE EMPLOYER OF THE PROBLEM. HOWEVER, THIS BILL AS WRITTEN COVERS ALL APPLICABLE SITUATIONS, NOT JUST SKI HILLS.

CH/sh

**March 16, 1993**

**Exhibit 2, "Workers' Compensation Package Presentation", is 29 pages long. The original is stored at the Historical Society at 225 North Roberts Street, Helena, MT 59620-1201. The phone number is 444-2694.**

Amendments to House Bill No. 13  
Second Reading Copy

Requested by Representative Benedict  
For the Committee on Labor

Prepared by Bart Campbell  
March 12, 1993

1. Title, line 9.

Following: "~~COMMISSIONER,~~"

Insert: "PERMITTING THE GOVERNOR TO CONTRACT FOR PRIVATE SECTOR INVOLVEMENT TO LIQUIDATE THE UNFUNDED LIABILITY AND TO MANAGE CLAIMS OF THE OLD FUND AND TO MANAGE CLAIMS OF THE NEW FUND OF THE MONTANA STATE COMPENSATION MUTUAL INSURANCE FUND; CLARIFYING THE COMPENSABILITY OF MENTAL STRESS CLAIMS; PROVIDING THAT THE GOVERNOR SHALL APPOINT THE BOARD OF DIRECTORS OF THE STATE FUND; PROVIDING THAT THE MEMBERS OF THE BOARD OF DIRECTORS AND THE EXECUTIVE DIRECTOR OF THE STATE FUND SERVE AT THE PLEASURE OF THE GOVERNOR;"

2. Title, lines 10 through 12 .

Strike: "EXEMPTING" on line 10 through "ACT;" on line 12

3. Title, line 14.

Strike: "2-4-102"

Insert: "2-15-1019"

4. Title, line 15.

Following: "18-8-103,"

Strike: "39-71-2314,"

Insert: "33-1-102, 39-71-105, 39-71-721, 39-71-2315,"

Following: "39-71-2316,"

Insert: "39-71-2317,"

5. Title, line 16.

Following: "39-71-2323,"

Strike: "AND"

Insert: "39-71-2351,"

Following: "39-71-2352,"

Insert: "39-71-2354, AND 39-71-2503,"

6. Page 1, line 18.

Insert: "WHEREAS, the Legislature has determined that it is necessary to the public welfare to make workers' compensation insurance available to all employers through the State Fund as the insurer of last resort, and in making this insurance available, the State Fund has incurred an unfunded liability; and

WHEREAS, the unfunded liability has grown each year despite the fact that there have been numerous attempts to solve the problem by legislation and other methods, but those attempts have not resolved the problem; and

WHEREAS, the Legislature separated the payment structure and sources for claims for injuries resulting from accidents that

occurred before July 1, 1990 (the "old fund"), from injuries occurring on or after July 1, 1990 (the "new fund"), and provided revenue options and spending limits; and

WHEREAS, this separation has not eliminated the unfunded liability, which is estimated to be in excess of \$400 million; and

WHEREAS, the Joint Select Committee on Workers' Compensation of the 52nd Legislature solicited from private insurance and reinsurance markets proposed solutions to liquidate the old fund unfunded liability; and

WHEREAS, insurance and reinsurance markets responded to the Committee's request for assistance to liquidate the old fund unfunded liability; and

WHEREAS, the Committee reviewed and concurred in a preliminary proposal of one of the insurance and reinsurance markets that the Committee believed provides significant benefits to Montana, including but not limited to:

- (1) risk transfer;
- (2) profit sharing between the reinsurer and the state;
- (3) investment of premiums in Montana financial institutions and investments;
- (4) funding and finance options;
- (5) security to Montana in the event of contract breach or insolvency of the reinsurer;
- (6) industry best claims management and administration; and
- (7) development of clean industry private sector jobs; and

WHEREAS, there may be merit in the proposal, and it may be in the best interests of Montana to proceed with the negotiations with the reinsurer.

THEREFORE, the Legislature finds it appropriate to empower the Governor to fully investigate and negotiate a reinsurance solution.

7. Page 1, line 20 through page 5, line 6  
Strike: section 1 in its entirety  
Renumber: subsequent sections

8. Page 6, following line 12.

Insert: " NEW SECTION. Section 1. Liquidation of old fund

liability. (1) (a) The governor is authorized to negotiate the liquidation of the unfunded liability of the old fund of the state fund, as defined in 39-71-2312, if an agreement can be reached that is in the best interests of Montana. The scope of any negotiated agreement may include but may not exceed all of the rights, privileges, liabilities, and duties of the state fund with respect to all claims arising prior to July 1, 1990.

(b) The governor may not enter into an agreement that pays more than \$400 million to the other party to the agreement.

(c) Any contract finalized by the governor must contain a provision that the contract is void unless necessary financing to fund the unfunded liability has been provided by the 1993 legislature.

(d) To be effective, a contract must be finalized by the governor within 120 days of [the effective date of this section].

(e) Any contract finalized by the governor may require reinsurance premium payments by the state to be used to liquidate the old fund liability.

(2) Any entity entering into an agreement with Montana under [section 2] or this section shall submit an annual report to the legislative audit committee. The first report is due 12 months after the agreement is finalized and thereafter may be submitted on a fiscal year basis.

(3) Any negotiations or agreements entered into pursuant to [section 2] and this section are not subject to the competitive bidding requirements of Title 18, chapter 4.

(4) A negotiation or an agreement entered into pursuant to [section 2] is not subject to the privatization plan requirements of Title 2, chapter 8, part 3.

NEW SECTION. Section 2. **Claims settlement of new fund claims -- new fund management.** As part of the negotiated liquidation of the unfunded liability of the old fund of the state fund, as defined in 39-71-2312, the governor may negotiate for claims settlement of the claims of persons whose benefits have not been determined under a claim based on an injury occurring on or after July 1, 1990, and for services with respect to the new fund of the state fund, including but not limited to claims management services, third-party administration, and medical cost containment agreements if the contracted services are in the best interests of the state. An agreement under this section is valid only if it is part of an agreement that meets the requirements of [section 1].

NEW SECTION. Section 3. **Audit of contracted services and old fund liquidation.** Any proposal involving the private sector in liquidation of the unfunded liability of the old fund of the state fund, as defined in 39-71-2312, or in claims settlement and management of the new fund of the state fund must provide for audit and reporting mechanisms in compliance with 39-71-2361.

NEW SECTION. Section 4. **Mutually agreeable lump-sum settlements.** Beginning July 1, 1993, a workers' compensation claimant and the state fund or a reinsurer may, regardless of the lump-sum law in effect on the date of the injury, mutually agree to a lump-sum settlement of a claim. If a mutual agreement is not reached, the lump-sum law in effect on the date of the injury applies.

Section 5. Section 39-71-721, MCA, is amended to read:

"39-71-721. **Compensation for injury causing death -- limitation.** Except as provided in [section 4]:

(1) (a) ~~If~~ if an injured employee dies and the injury was the proximate cause of ~~such~~ death, then the beneficiary of the deceased is entitled to the same compensation as though the death occurred immediately following the injury. A beneficiary's eligibility for benefits commences after the date of death, and the benefit level is established as set forth in subsection (2).

(b) ~~The~~ the insurer is entitled to recover any overpayments or compensation paid in a lump sum to a worker prior to death but not yet recouped. The insurer shall recover ~~such~~ the payments from the beneficiary's biweekly payments as provided in 39-71-741(5).

(2) ~~To~~ to beneficiaries as defined in 39-71-116(3)(a)

through (3)(d), weekly compensation benefits for an injury causing death are 66 2/3% of the decedent's wages. The maximum weekly compensation benefit may not exceed the state's average weekly wage at the time of injury. The minimum weekly compensation benefit is 50% of the state's average weekly wage, but in no event may it exceed the decedent's actual wages at the time of his death.

(3) ~~To~~ to beneficiaries as defined in 39-71-116(3)(e) and (3)(f), weekly benefits must be paid to the extent of the dependency at the time of the injury, subject to a maximum of 66 2/3% of the decedent's wages. The maximum weekly compensation may not exceed the state's average weekly wage at the time of injury.

(4) ~~If~~ if the decedent leaves no beneficiary as defined in 39-71-116, a lump-sum payment of \$3,000 must be paid to the decedent's surviving parent or parents-;

(5) ~~If~~ if any beneficiary of a deceased employee dies, the right of ~~such~~ the beneficiary to compensation under this chapter ceases. Death benefits must be paid to a surviving spouse for 500 weeks subsequent to the date of the deceased employee's death or until the spouse's remarriage, whichever occurs first. After benefit payments cease to a surviving spouse, death benefits must be paid to beneficiaries, if any, as defined in 39-71-116(3)(b) through (3)(d).

(6) ~~In~~ in all cases, benefits must be paid to beneficiaries, as defined in 39-71-116-; and

(7) ~~Benefits~~ benefits paid under this section may not be adjusted for cost of living as provided in 39-71-702.

~~(8) Notwithstanding subsections (2) and (3), beginning July 1, 1987, through June 30, 1991, the maximum weekly compensation benefits for injury causing death may not exceed the state's average weekly wage of \$299 established July 1, 1986. Beginning July 1, 1987, through June 30, 1991, the minimum weekly compensation for injury causing death shall be \$149.50, which is 50% of the state's average weekly wage established July 1, 1986, but in no event may it exceed the decedent's actual wages at the time of death."~~

Section 6. Section 39-71-2315, MCA, is amended to read:

"39-71-2315. Management of state fund -- powers and duties of the board. Except with respect to any agreement established pursuant to [sections 1 and 2] and except as provided in 2-15-1019 or 39-71-2317:

(1) ~~The~~ the management and control of the state fund is vested solely in the board-; and

(2) ~~The~~ the board is vested with full power, authority, and jurisdiction over the state fund. The board may perform all acts necessary or convenient in the exercise of any power, authority, or jurisdiction over the state fund, either in the administration of the state fund or in connection with the insurance business to be carried on under the provisions of this part, as fully and completely as the governing body of a private mutual insurance carrier, in order to fulfill the objectives and intent of this part. Bonds may not be issued by the board, the state fund, or the executive director."

Section 7. Section 39-71-2351, MCA, is amended to read:

"39-71-2351. Purpose of separation of state fund liability as of July 1, 1990, and of separate funding of claims before and on or after that date. (1) An unfunded liability exists in the state fund. It has existed since at least the mid-1980s and has grown each year. There have been numerous attempts to solve the problem by legislation and other methods. These attempts have alleviated the problem somewhat, but the problem has not been solved.

(2) The legislature has determined that it is necessary to the public welfare to make workers' compensation insurance available to all employers through the state fund as the insurer of last resort. In making this insurance available, the state fund has incurred the unfunded liability. The legislature has determined that the most cost-effective and efficient way to provide a source of funding for and to ensure payment of the unfunded liability and the best way to administer the unfunded liability is to:

(a) separate the liability of the state fund on the basis of whether a claim is for an injury resulting from an accident that occurred before July 1, 1990, or an accident that occurs on or after that date;

(b) extend the payroll tax imposed by 39-71-2503 and dedicate the tax money first to the repayment of bonds issued under 39-71-2354 and 39-71-2355 and then to the repayment of loans given under 39-71-2354 and 39-71-2355, to payment of premiums for a negotiated liquidation of the unfunded liability of the old fund of the state fund as provided in [section 1], and the direct payment of the costs of administering and paying claims for injuries from accidents that occurred before July 1, 1990.

~~(3) The legislature further determines that in order to prevent the creation of a new unfunded liability with respect to claims for injuries for accidents that occur on or after July 1, 1990, certain duties of the state fund should be clarified and legislative oversight of the state fund should be increased."~~

Section 8. Section 39-71-2354, MCA, is amended to read:

"39-71-2354. Use of payroll tax proceeds -- loans -- bonds.

(1) Taxes collected under 39-71-2503 may be used only to administer and pay claims for injuries resulting from accidents that occurred before July 1, 1990, including the cost of repaying bonds issued and loan proceeds given under 39-71-2355 and this section and any premium payments that may be required by an agreement made pursuant to [section 1]. If the state fund determines that, for the next 1 or more years following the date of the determination, the tax revenue, together with funds in the account required by 39-71-2321 for claims for injuries resulting from accidents that occurred before July 1, 1990, will be insufficient to administer and pay those claims, the state fund may, through its board of directors, request the budget director to certify to the board of investments that additional funding is necessary. If the budget director agrees with the state fund's board of directors that additional funding is necessary, the budget director shall certify to the board of investments the amount that the budget director determines is necessary to administer and pay claims for injuries resulting from accidents



that occurred before July 1, 1990. Except as provided in subsection (2), the board of investments shall, at times and in amounts it considers necessary or advisable, finance the amount certified by the budget director by giving the state fund the proceeds of a loan or a bond issue to administer and pay claims for injuries resulting from accidents that occurred before July 1, 1990. ~~Loans must be from reserves accumulated from premiums paid to the state fund based upon wages payable on or after July 1, 1990.~~ In the event that loans are necessary for an agreement established in accordance with [sections 1 and 2], the governor is authorized to pursue internal and external financing that is in the best interests of the state. The board of investments shall choose the method of financing that is most cost-effective for the state fund. A loan must bear interest at the rate the money would earn in the pooled investment fund required by 17-6-203. The board of investments may also, upon request of the board of directors of the state fund, give the state fund the proceeds of a bond issue, to be used to pay off loans made under 39-71-2355 and this section. Bonds for the state fund must be workers' compensation bonds issued under 39-71-2355.

(2) The Except for any agreement established pursuant to [sections 1 and 2], the total amount of loan proceeds given to the state fund plus workers' compensation bonds issued under 39-71-2355, except bonds issued to repay loans as provided for in subsection (1), may not exceed \$220 million. All loan and bond proceeds given to the state fund must be repaid to the board of investments before July 1, 2020."

Section 9. Section 39-71-2503, MCA, is amended to read:

**"39-71-2503. Workers' compensation payroll tax.** (1) (a) There is imposed on each employer a workers' compensation payroll tax in an amount equal to 0.28% of the employer's payroll in the preceding calendar quarter for all employments covered under 39-71-401, except that if an employer is subject to 15-30-204(2), the tax is an amount equal to 0.28% of the employer's payroll in the preceding week. This payroll tax must be used to reduce the unfunded liability in the state fund incurred for claims for injuries resulting from accidents that occurred before July 1, 1990, or for payment of those claims under [section 1]. If one or more loans or bonds are outstanding, the tax must be continued at the 0.28% rate and the legislature may not modify the tax rate, the use of the tax proceeds, or this section in a manner that reduces the security for repayment of the outstanding loans or bonds, except that the legislature may forgive payment of the tax or reduce the tax rate for any 12-month period if the workers' compensation bond repayment account contains on the first day of that period an amount, regardless of the source, that is in excess of the reserve maintained in the account and that is equal to the amount needed to pay and dedicated to the payment of the principal, premium, and interest that must be paid during that period on the outstanding loans or bonds. The legislature may not increase the tax rate except upon a two-thirds vote of each house.

(b) Each employer shall maintain the records the department requires concerning the employer's payroll. The records are subject to inspection by the department and its employees and

agents during regular business hours.

(2) All collections of the tax are appropriated to and must be deposited as received in the tax account. The tax is in addition to any other tax or fee assessed against employers subject to the tax.

(3) (a) On or before the last day of April, July, October, and January, each employer subject to the tax shall file a return in the form and containing the information required by the department and, except as provided in subsection (3)(b), pay the amount of tax required by this section to be paid on the employer's payroll for the preceding calendar quarter.

(b) An employer subject to 15-30-204(2) shall remit to the department a weekly payment with its weekly withholding tax payment in the amount required by subsection (1)(a).

(c) A tax payment required by subsection (1)(a) must be made with the return filed pursuant to 15-30-204. The department shall first credit a payment to the liability under 15-30-202 and credit any remainder to the workers' compensation tax account provided in 39-71-2504.

(4) An employer's officer or employee with the duty to collect, account for, and pay to the department the amounts due under this section who willfully fails to pay an amount is liable to the state for the unpaid amount and any penalty and interest relating to that amount.

(5) Returns and remittances under subsection (3) and any information obtained by the department during an audit are subject to the provisions of 15-30-303, but the department may disclose the information to the department of labor and industry under circumstances and conditions that ensure the continued confidentiality of the information.

(6) The department of labor and industry and the state fund shall, on July 1, 1991, or as soon after that date as possible, give the department a list of all employers having coverage under any plan administered or regulated by the department of labor and industry and the state fund. After the lists have been given to the department, the department of labor and industry and the state fund shall update the lists weekly. The department of labor and industry and the state fund shall provide the department with access to their computer data bases and paper files and records for the purpose of the department's administration of the tax imposed by this section.

(7) The provisions of Title 15, chapter 30, not in conflict with the provisions of this part regarding administration, remedies, enforcement, collections, hearings, interest, deficiency assessments, credits for overpayment, statute of limitations, penalties, and department rulemaking authority apply to the tax, to employers, and to the department."

Section 10. Section 33-1-102, MCA, is amended to read:

"33-1-102. Compliance required -- exceptions -- health service corporations -- health maintenance organizations -- governmental insurance programs. (1) A person may not transact a business of insurance in Montana or relative to a subject resident, located, or to be performed in Montana without complying with the applicable provisions of this code.

(2) The provisions of this code do not apply with respect

to:

(a) domestic farm mutual insurers as identified in chapter 4, except as stated in chapter 4;

(b) domestic benevolent associations as identified in chapter 6, except as stated in chapter 6; and

(c) fraternal benefit societies, except as stated in chapter 7.

(3) This code applies to health service corporations as prescribed in 33-30-102. The existence of the corporations is governed by Title 35, chapter 2, and related sections of the Montana Code Annotated.

(4) This code does not apply to health maintenance organizations to the extent that the existence and operations of those organizations are authorized by chapter 31.

(5) This code does not apply to workers' compensation insurance programs provided for in Title 39, chapter 71, parts 21 and 23, [sections 1 and 2], and related sections.

(6) This code does not apply to the state employee group insurance program established in Title 2, chapter 18, part 8.

(7) This code does not apply to insurance funded through the state self-insurance reserve fund provided for in 2-9-202.

(8) (a) This code does not apply to any arrangement, plan, or interlocal agreement between political subdivisions of this state in which the political subdivisions undertake to separately or jointly indemnify one another by way of a pooling, joint retention, deductible, or self-insurance plan.

(b) This code does not apply to any arrangement, plan, or interlocal agreement between political subdivisions of this state or any arrangement, plan, or program of a single political subdivision of this state in which the political subdivision provides to its officers, elected officials, or employees disability insurance or life insurance through a self-funded program."

Section 11. Section 39-71-105, "MCA, is amended to read:

"39-71-105. Declaration of public policy. For the purposes of interpreting and applying Title 39, chapters 71 and 72, the following is the public policy of this state:

(1) It is an objective of the Montana workers' compensation system to provide, without regard to fault, wage supplement and medical benefits to a worker suffering from a work-related injury or disease. Wage-loss benefits are not intended to make an injured worker whole; they are intended to assist a worker at a reasonable cost to the employer. Within that limitation, the wage-loss benefit should bear a reasonable relationship to actual wages lost as a result of a work-related injury or disease.

(2) A worker's removal from the work force due to a work-related injury or disease has a negative impact on the worker, the worker's family, the employer, and the general public. Therefore, it is an objective of the workers' compensation system to return a worker to work as soon as possible after the worker has suffered a work-related injury or disease.

(3) Montana's workers' compensation and occupational disease insurance systems are intended to be primarily self-

administering. Claimants should be able to speedily obtain benefits, and employers should be able to provide coverage at reasonably constant rates. To meet these objectives, the system must be designed to minimize reliance upon lawyers and the courts to obtain benefits and interpret liabilities.

(4) Title 39, chapters 71 and 72, must be construed according to their terms and not liberally in favor of any party.

(5) It is the intent of the legislature that stress claims, often referred to as "mental-mental claims" and "mental-physical claims", are not compensable under Montana's workers' compensation and occupational disease laws. The legislature recognizes that these claims are difficult to objectively verify and that the claims have a potential to place an economic burden on the workers' compensation and occupational disease system. The legislature also recognizes that there are other states that do not provide compensation for various categories of stress claims and that stress claims have presented economic problems for certain other jurisdictions. In addition, not all injuries are compensable under the present system, as is the case with repetitive injury claims, and it is within the legislature's authority to define the limits of the workers' compensation and occupational disease system."

{Internal References to 39-71-105: None.}

Section 12. Section 2-15-1019, MCA, is amended to read:

"2-15-1019. Board of directors of the state compensation mutual insurance fund. (1) There is a board of directors of the state compensation mutual insurance fund.

(2) The board is allocated to the department for administrative purposes only as prescribed in 2-15-121. However, the board may employ its own staff.

(3) The board may provide for its own office space and the office space of the state fund.

(4) The board consists of five members appointed by the governor. The executive director of the state fund is an ex officio nonvoting member.

(5) At least three of the five members shall represent state fund policyholders and may be employees of state fund policyholders. At least three members of the board shall represent private, for-profit enterprises. A member of the board may not:

(a) represent or be an employee of an insurance company that is licensed to transact workers' compensation insurance under compensation plan No. 2; or

(b) be an employee of a self-insured employer under compensation plan No. 1.

(6) A member is appointed for a term of 4 years serves at the pleasure of the governor. The governor may remove a member at any time and appoint a new member to the office. The terms of board members must be staggered. A member of the board may serve no more than two 4-year terms. A member shall hold office until a successor is appointed and qualified.

(7) The members must be appointed and compensated in the same manner as members of a quasi-judicial board as provided in 2-15-124, except that the requirement that at least one member be

an attorney does not apply and except that the members serve at the pleasure of the governor."

{ Internal References to 2-15-1019:  
39-71-2312 }

Section 13. Section 39-71-2317, MCA, is amended to read:

"39-71-2317. **Appointment of executive director --**  
**management staff.** (1) The ~~board~~ governor shall, at the beginning of each gubernatorial term, appoint an executive director of the state fund who has general responsibility for the operations of the state fund.

(2) The executive director serves at the pleasure of the governor. The governor may remove the executive director at any time and appoint a new executive director to the office.

(3) The executive director must have executive level experience, with knowledge of the insurance industry. The executive director must receive compensation as set by the board ~~and serve at the pleasure of the board.~~ The executive director may hire the management staff of the state fund, each of whom serves at the pleasure of the executive director.""

{ Internal References to 39-71-2317:  
\*39-71-431 }

Renumber: subsequent sections

9. Page 7, lines 6 through 19.

Strike: section 3 in its entirety

Renumber: subsequent sections

10. Page 8, line 4.

Following: "~~employer~~"

Insert: "to cover its administrative costs for coverage of a small employer"

11. Page 8, following line 7.

Insert: "(3) adopt, amend, and repeal rules relating to the conduct of its business;"

Renumber: subsequent subsections

12. Page 10, lines 1 and 25.

Strike: "(8)"

13. Page 17, following line 2.

Insert: "NEW SECTION. Section 25. **Coordination with Occupational Disease Act of Montana.** For purposes of [sections 1 through 4] and the administration of Title 39, chapter 72, a reference in [sections 1 through 4] to an injury resulting from an accident or to a claim for an injury resulting from an accident includes a disablement, as defined in 39-72-102(4).

NEW SECTION. Section 26. **Saving clause.** [This act] does not affect rights and duties that matured, penalties that were incurred, or proceedings that were begun before [the effective date of this act]."

Renumber: subsequent sections

14. Page 17, line 3.

Following: "instruction."

Insert: "(1) [Sections 1 through 3] are intended to be codified as an integral part of Title 39, chapter 71, and the provisions of Title 39, chapter 71, apply to [sections 1 through 3].

(2) [Section 4] is intended to be codified as an integral part of Title 39, chapter 71, part 23, and the provisions of Title 39, chapter 71, part 23, apply to [section 4]. (3)"

15. Page 17, lines 4 and 7.

Strike: "7"

Insert: "18"

Strike: "9"

Insert: "20"

16. Page 17, lines 9 through 13.

Strike: "SECTION 9" on line 9 through "1993." on line 13

Insert: "[Sections 1 through 3, 10 through 13, 20, and 23 through 27 and this section] are effective on passage and approval.

(2) [Sections 4 through 9] are effective on finalization of an agreement entered into by the governor and the reinsurer, as provided in [section 1].

(3) [Sections 14 through 19, 21, and 22] are effective July 1, 1993.

(4) [Section 20] applies to the budget for fiscal year 1994."

EXHIBIT #4  
DATE 3/16/93  
HB WT Miller  
Chen

## GENERAL WELL SERVICE, INC.

BOX 308

CUT BANK, MONTANA 59427

OFFICE PHONE (406) 873-5081

SHOP PHONE (406) 873-4862

FAX NUMBER: 1-406-873-5083

TELEFAX COVER SHEETDATE: 3-17-93FROM: General Well Service  
Leslie RanchTO: TOM NELSON, CHAIRMAN,COMPANY: HOUSE LABOR + EMPLOYMENT RELATIONS COMMITTEEATTENTION: COMMITTEE MEMBERSFAX NO.: 1-444-4105NUMBER OF PAGES INCLUDING COVER SHEET: 1REFERENCE/COMMENTS:We are in support of the following:SB-163, SB-164, SB-347, SB-394 (Harp)H-B-361 (Holland)H-B-620 (Ewer)Thank You (Please vote in favor of)  
Leslie Ranch

BOX 308

## CUT BANK, MONTANA 59427

OFFICE PHONE (406) 873-5081  
SHOP PHONE (406) 873-4862

FAX NUMBER: 1-406-873-5083

TELEFAX COVER SHEETDATE: 3-17-93FROM: General Well Service  
Leslie RanchTO: All Committee MembersCOMPANY: LABOR + EMPLOYMENT RELATIONS COMMITTEEATTENTION: TOM TOWE (CHAIRMAN)FAX NO.: 1-444-4105

NUMBER OF PAGES INCLUDING COVER SHEET: \_\_\_\_\_

REFERENCE/COMMENTS:HB-470 - I am against this bill - Please vote  
against.HB-487 - I am in support of - Please vote for  
Thank You  
Leslie Ranch



# Anderson's Masonry Supply

26 WOODLAND PARK DRIVE KALISPELL, MONTANA 59901

EXHIBIT 445

DATE 3/16/93

HB

(406) 755-2497  
FAX (406) 756-8706

## FAX TRANSMITTAL FORM

Bar  
431

DATE:

3-16-93

NUMBER OF PAGES -  
INCLUDING THIS ONE:

1

TO FAX #:

444-4105

COMPANY NAME:

House Labor + Employment Relations Committee

ATTENTION:

Tom Nelson - Gary Feland - Steve Benedict

Vicki Cocchiardella, Jerry Driscoll, Alvin Ellis,  
Patrick Garvin, Sonny Hanson - Norm Mills

~~FROM:~~

Bob Paulovich, Brenda Simon, Carolyn Squires

COMPANY NAME:

Bill Tash, Ralph Tunby, Carley Tuss - Tom Whaler  
Anderson's Masonry Supply

FAX #:

(406) 756-8706

From: Tom Arvidson

COMMENTS:

Straighten out Work Comp  
Vote for SB 163 - SB 164  
SB 347 - SB 394 - HB 361  
+ HB 622

These are  
necessary parts of a good  
work comp program!

EDSALL CONSTRUCTION COMPANY  
GENERAL CONTRACTOR

P.O. BOX 1147

BOZEMAN, MONTANA 59771

PHONE (406) 587-0614

FAX (406) 585-1733

HOUSE LABOR COMMITTEE

ALL MEMBERS,

I URGE your support for

-16-93 SB 163  
-16-93 SB 164  
-16-93 SB 347  
-16-93 SB 394  
-16-93 HB 361  
-16-93 HB 662

THANK YOU,  
EDSALL CONST.  
Wayne E. Eadsall PRO

EXHIBIT #7DATE 3/16/93HB 431  
*Chen***SIDNEY MILLWORK CO.**

Cambrian Lane  
P.O. Box 1125  
Sidney, Montana 59270  
Phone (406) 482-2810  
Fax (406) 482-2858  
March 16, 1993

Tom Nelson, Chairman  
House Labor & Employment Relation Committee

Dear Tom,

There are a number of bills that pertain to Workers Compensation that are before your committee.

I would like to encourage you to endorse the following bills:

SB 347 - (Harp)	The medical cost containment bill
SB 394 - (Harp)	Regulation of attorney fees.
HB 361 - (Hibbard)	Revising benefits & medical definitions

I also believe there is a bill to eliminate the requirement for a business to carry Workers Compensation Insurance. I believe this is fair. In the event of a loss, the individual business would be taken to court. His contribution to the loss and his ability to pay would be the determining factor.

Cordially,



Dolph M. Harris, President

Sidney Millwork Co.  
Sidney, Montana

P. 1  
EXHIBIT 48DATE 3/16/93

HB \_\_\_\_\_

DIAMOND CONSTRUCTION, INC.  
2905 NORTH MONTANA AVENUE  
P O BOX 5987  
HELENA, MT 59604-5987

PHONE: (406) 443-3373  
FAX: (406) 442-2450

DATE: March 16, 1993  
TO: House Labor and Employment Relations Committee  
ATTN: Mr. Tom Nelson, Chairman (R)  
FROM: Ardine (Dean) Bjerke  
COMMENTS:

Please vote in favor for:

SB 163 (Harp)  
SB 164 (Harp)  
SB 347 (Harp)  
SD 394 (Harp)  
HB 361 (Hibbard)  
HB 622 (Ewer) -

DATE: March 16, 1993  
TO: House Labor and Employment Relations Committee  
ATTN: Mr. Gary Feland, Vice Chairman (R)  
FROM: Ardine (Dean) Bjerke  
COMMENTS:

Please vote in favor for:

SB 163 (Harp)  
SB 164 (Harp)  
SB 347 (Harp)  
SD 394 (Harp)  
HB 361 (Hibbard)  
HB 622 (Ewer)

DIAMOND CONSTRUCTION, INC.  
2905 NORTH MONTANA AVENUE  
P O BOX 5987  
HELENA, MT 59604-5987

PHONE: (406) 443-3373  
FAX: (406) 442-2450

DATE: March 16, 1993  
TO: House Labor and Employment Relations Committee  
ATTN: Mr. Steve Benedict, (R)  
FROM: Ardine (Dean) Bjerke  
COMMENTS:

Please vote in favor for:

SB 163 (Harp)  
SB 164 (Harp)  
SB 347 (Harp)  
SD 394 (Harp)  
HB 361 (Hibbard)  
HB 622 (Ewer)

DATE: March 16, 1993  
TO: Labor and Employment Relations Committee  
ATTN: Ms. Vicki Cocchiarella (D)  
FROM: Ardine (Dean) Bjerke  
COMMENTS:

Please vote in favor for:

SB 163 (Harp)  
SB 164 (Harp)  
SB 347 (Harp)  
SD 394 (Harp)  
HB 361 (Hibbard)  
HB 622 (Ewer)

DIAMOND CONSTRUCTION, INC.  
2905 NORTH MONTANA AVENUE  
P O BOX 5987  
HELENA, MT 59604-5987

PHONE: (406) 443-3373  
FAX: (406) 442-2450

DATE: March 16, 1993  
TO: House Labor and Employment Relations Committee  
ATTN: Mr. Jerry Driscoll, (D)  
FROM: Ardine (Dean) Bjerke  
COMMENTS:

Please vote in favor for:

SB 163 (Harp)  
SB 164 (Harp)  
SB 347 (Harp)  
SD 394 (Harp)  
HB 361 (Hibbard)  
HB 622 (Ewer)

DATE: March 16, 1993  
TO: Labor and Employment Relations Committee  
ATTN: Mr. Alvin Ellis, Jr. (R)  
FROM: Ardine (Dean) Bjerke  
COMMENTS:

Please vote in favor for:

SB 163 (Harp)  
SB 164 (Harp)  
SB 347 (Harp)  
SD 394 (Harp)  
HB 361 (Hibbard)  
HB 622 (Ewer)

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P O BOX 5987  
HELENA, MT 59604-5987

PHONE: (406) 443-3373  
FAX: (406) 442-2450

DATE: March 16, 1993  
TO: House Labor and Employment Relations Committee  
ATTN: Mr. Patrick Galvin (D)  
FROM: Ardine (Dean) Bjerke  
COMMENTS:

Please vote in favor for:

SB 163 (Harp)  
SB 164 (Harp)  
SB 347 (Harp)  
SD 394 (Harp)  
HB 361 (Hibbard)  
HB 622 (Ewer)

DATE: March 16, 1993  
TO: Labor and Employment Relations Committee  
ATTN: Mr. Sonny Hanson (R)  
FROM: Ardine (Dean) Bjerke  
COMMENTS:

Please vote in favor for:

SB 163 (Harp)  
SB 164 (Harp)  
SB 347 (Harp)  
SD 394 (Harp)  
HB 361 (Hibbard)  
HB 622 (Ewer)

DIAMOND CONSTRUCTION, INC.  
2905 NORTH MONTANA AVENUE  
P O BOX 5987  
HELENA, MT 59604-5987

PHONE: (406) 443-3373  
FAX: (406) 442-2450

DATE: March 16, 1993  
TO: House Labor and Employment Relations Committee  
ATTN: Mr. Norm Mills (R)  
FROM: Ardine (Dean) Bjerke  
COMMENTS:

Please vote in favor for:

SB 163 (Harp)  
SB 164 (Harp)  
SB 347 (Harp)  
SD 394 (Harp)  
HB 361 (Hibbard)  
HB 622 (Ewer)

DATE: March 16, 1993  
TO: Labor and Employment Relations Committee  
ATTN: Mr. Bob Pavlovich (D)  
FROM: Ardine (Dean) Bjerke  
COMMENTS:

Please vote in favor for:

SB 163 (Harp)  
SB 164 (Harp)  
SB 347 (Harp)  
SD 394 (Harp)  
HB 361 (Hibbard)  
HB 622 (Ewer)



DIAMOND CONSTRUCTION, INC.  
2905 NORTH MONTANA AVENUE  
P O BOX 5987  
HELENA, MT 59604-5987

PHONE: (406) 443-3373  
FAX: (406) 442-2450

DATE: March 16, 1993  
TO: House Labor and Employment Relations Committee  
ATTN: Mr. Bruce Simon (R)  
FROM: Ardine (Dean) Bjerke  
COMMENTS:

Please vote in favor for:

SB 163 (Harp)  
SB 164 (Harp)  
SB 347 (Harp)  
SD 394 (Harp)  
HB 361 (Hibbard)  
HB 622 (Ewer)

DATE: March 16, 1993  
TO: Labor and Employment Relations Committee  
ATTN: Ms. Carolyn Squires (D)  
FROM: Ardine (Dean) Bjerke  
COMMENTS:

Please vote in favor for:

SB 163 (Harp)  
SB 164 (Harp)  
SB 347 (Harp)  
SD 394 (Harp)  
HB 361 (Hibbard)  
HB 622 (Ewer)

DIAMOND CONSTRUCTION, INC.  
2905 NORTH MONTANA AVENUE  
P O BOX 5987  
HELENA, MT 59604-5987

PHONE: (406) 443-3373  
FAX: (406) 442-2450

DATE: March 16, 1993  
TO: House Labor and Employment Relations Committee  
ATTN: Mr. Bill Tash (R)  
FROM: Ardine (Dean) Bjerke  
COMMENTS:

Please vote in favor for:

SB 163 (Harp)  
SB 164 (Harp)  
SB 347 (Harp)  
SD 394 (Harp)  
HB 361 (Hibbard)  
HB 622 (Ewer)

DATE: March 16, 1993  
TO: Labor and Employment Relations Committee  
ATTN: Mr. Roph Tunby (R)  
FROM: Ardine (Dean) Bjerke  
COMMENTS:

Please vote in favor for:

SB 163 (Harp)  
SB 164 (Harp)  
SB 347 (Harp)  
SD 394 (Harp)  
HB 361 (Hibbard)  
HB 622 (Ewer)

EXHIBIT #8  
DATE 3-16-93  
HB \_\_\_\_\_

DIAMOND CONSTRUCTION, INC.  
2905 NORTH MONTANA AVENUE  
P O BOX 5987  
HELENA, MT 59604-5987

PHONE: (406) 443-3373  
FAX: (406) 442-2450

DATE: March 16, 1993  
TO: House Labor and Employment Relations Committee  
ATTN: Ms. Carley Tuss (D)  
FROM: Ardine (Dean) Bjerke  
COMMENTS:

Please vote in favor for:

SB 163 (Harp)  
SB 164 (Harp)  
SB 347 (Harp)  
SD 394 (Harp)  
HB 361 (Hibbard)  
HB 622 (Ewer)

DATE: March 16, 1993  
TO: Labor and Employment Relations Committee  
ATTN: Mr. Tim Whalen (D)  
FROM: Ardine (Dean) Bjerke  
COMMENTS:

Please vote in favor for:

SB 163 (Harp)  
SB 164 (Harp)  
SB 347 (Harp)  
SD 394 (Harp)  
HB 361 (Hibbard)  
HB 622 (Ewer)

3-16-93  
EXHIBIT #10  
DATE 3/16/93  
HB

I Michael S. Mizenko  
MICHAEL S. MIZENKO

would like to be signed in  
as a proponent on the  
following bills

3-16-93	HB - 453	Proponent	Cherrie will you Add this to HB 41 list you HAVE
	HB - 470	(1)	
3-16-93	HB - 622	"	
3-16-93	HB - 511	"	

I represent the Materna State  
Association of Plumbers &  
Pipe fitters, also the Int.  
State Building & Const. Council

Thank you

I cannot be here for  
the hearings -

Homebuilders Assoc. of Billings  
252-7533

S.W. Montana Home Builders Assoc.  
585-8181

Great Falls Homebuilders Assoc.  
452-HOME



Flathead Home Builders A  
752-2522

Missoula Chapter of NAHB  
273-0314

Helena Chapter of NAHB  
449-7275

Nancy Lien Griffin, Executive Director  
Suite 4D Power Block Building • Helena, Montana 59601 • (406) 442-4479

EXHIBIT #9  
DATE 3/16/93  
HB

SB 163, 164, 347, 394

&

HB 361, 622

Recommend:  
**DO PASS**

Mr. Chairman: Members of the Committee:

I am Harlee Thompson a delegate from the Montana Building Industry Association to the Coalition for Worker Compensation System Improvement. (CWCSI)

**The Montana Building Industry Association (MBIA) and I would like to commend the Select Committee for the great job and long hard hours they have put into addressing the problems of our work comp system.**

**The Montana Building Industry Association wants to go on record as being in support of SB 163, 164, 347, 394 and HB 361,622. These bills are a very important part of the reforms that the Coalition for Work Comp System Improvement and the Montana Building Industry Association have been supporting in the effort to repair the mess the work comp system is in.**

**These bills deal with a large variety of concerns in the work comp system including issues from areas of safety, medical, fraud, and the legal profession.**

**We recommend a do pass on SB 163, 164, 347, 394 an HB 361, 622**

# Montana Trial Lawyers ASSOCIATION

**Directors:**

Wade Dahood  
Director Emeritus  
Monte D. Beck  
Thomas J. Beers  
Michael D. Cok  
Michael W. Cotter  
Karl J. Englund  
Robert S. Fain, Jr.  
Victor R. Halverson, Jr.  
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Gregory S. Munro  
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Paul M. Warren  
Michael E. Wheat

Executive Office  
#1 Last Chance Gulch  
Helena, Montana 59601  
Tel: 443-3124

March 3, 1993

**Officers:**

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President  
Monte D. Beck  
President-Elect  
Gregory S. Munro  
Vice President  
Michael E. Wheat  
Secretary-Treasurer  
William A. Rossbach  
Governor  
Paul M. Warren  
Governor

Rep. Chase Hibbard, Chair  
House Select Committee on Workers Compensation  
Room 325, State Capitol  
Helena, MT 59624

RE: SB 163

Mr. Chair, Members of the Committee:

Thank you for this opportunity to express MTLA's qualified support for SB 163.

MTLA has long advocated safety programs to reduce workplace injuries, workers compensation claims, and ultimately employer premiums. MTLA supports the provisions in SB 163 which require employers to establish and administer safety programs. MTLA supports the provisions in SB 163 which require employees to participate in ongoing safety training programs. MTLA supports the provisions in SB 163 which require workers compensation insurers to provide safety consultation services to their policyholder employers. And MTLA supports the provisions in SB 163 which implement variable pricing levels to reward employers with good safety records and penalize employers with poor safety records.

However, MTLA opposes several provisions of SB 163:

1. Section 9, which provides virtually blanket immunity to workers compensation insurance companies, cripples the bill. Expert safety consultation services are the key component of this plan to reduce workplace injuries, and SB 163 properly requires insurers to provide safety consultation services. But then the bill insulates those same insurers from liability when they carelessly furnish those services, even when they are grossly negligent in furnishing those services. Since civil liability provides more reliable guarantees of compliance than administrative enforcement, MTLA proposes the accompanying amendment to Section 9.

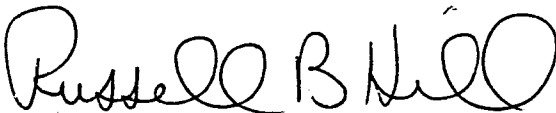
2. As amended by the Senate, Section 5 mandates the department of labor to adopt rules which require "an employer of more than five employees to have a comprehensive and effective safety program" (page 5, lines 23-24), yet those employers have no recourse whatsoever against insurers who provide only minimal, ineffective safety consultation services. In other words, SB 163 subjects non-complying employers to increased penalties (for example, Section 10, subsection (1)(a), page 9, line 22 through page 10, line 4) with no corresponding guarantee that they can comply.

3. SB 163 insulates the State Fund, private insurers, and self-insurers alike from liability but requires no corresponding demonstration by private insurers or self insurers that their safety consultation services are efficient or effective. Section 10 should require all workers compensation insurers, not just the State Fund (page 10, lines 15-16) to regularly record and report expenditures for safety consultation services separately, in conjunction with their loss experience.

4. Section 7 requires workers compensation insurers to provide safety consultation services upon request but establishes no meaningful standard for those services. Safety engineering is a recognized discipline, and SB 163 should require safety consultation services to meet the objective criteria of nationally recognized certifying bodies.

Thank you for considering these comments. If I can provide additional information or assistance, please notify me.

Respectfully,



Russell B. Hill  
Executive Director

Amendment #11  
3-16-93  
SB-163

Amendments to Senate Bill 163  
Third Reading Bill (Blue Copy)

Requested by the Montana Trial Lawyers Association  
March 16, 1993

1. Page 8, line 21.

Following: "(1)"

Strike: "The"

Insert: "Except in cases of gross negligence or willful or wanton misconduct, the"



# Montana Trial Lawyers ASSOCIATION

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Director Emeritus  
Monte D. Beck  
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Michael W. Cotter  
Karl J. Englund  
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Michael E. Wheat

Executive Office  
#1 Last Chance Gulch  
Helena, Montana 59601  
Tel: 443-3124

March 16, 1993

**Officers:**

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President-Elect  
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Vice President  
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Secretary-Treasurer  
William A. Rossbach  
Governor  
Paul M. Warren  
Governor

Rep. Tom Nelson, Chair  
House Labor and Employment Relations Committee  
Room 437, State Capitol  
Helena, MT 59624

RE: SB 164

Mr. Chair, Members of the Committee:

Thank you for this opportunity to express MTLA's qualified support for SB 164, which targets workers compensation fraud.

MTLA supports efforts to investigate, prosecute and prevent genuine fraud in Montana's workers compensation system. MTLA believes that fraud does occur on a limited scale and involves employers, insurers, providers, consultants, and attorneys as well as employees.

However, MTLA also believes that Montana's workers compensation system is immense, complex, confused and unstable. Consequently, MTLA believes that investigators and prosecutors should observe the spirit as well as the letter of Sec. 45-6-301, MCA, in strictly construing the elements of criminal intent required to prove theft. The Senate amendments to Section 4 (page 4, line 3), Section 5 (page 6, lines 8-11), Section 6 (page 8, lines 2-5), and Section 7 (page 10, lines 17-20) alter the current requirements that criminal or fraudulent intent be demonstrated by affirmative acts. A disabled worker who does nothing more than passively "receive" unexpected wages, for example--or who initially misunderstands the complex and convoluted definitions of "wages" currently incorporated in Secs. 39-71-123, 39-71-118, and 39-71-117, MCA--is nevertheless guilty of theft. MTLA proposes the accompanying amendments 1 through 4 to conform each of those sections to the criminal intent required to prove theft under Sec. 45-6-301, MCA.

Sections 5, 6, and 7 also make disabled workers helplessly dependent upon written consent of the insurer but give insurers unfettered discretion to withhold that consent for legitimate reasons, invalid reasons, or no reasons at all. The fundamental principles of equal protection in criminal law conflict directly with the enormous potential in SB 163 for insurers to unfairly discriminate among disabled workers in granting consent and in referring cases for prosecution. MTLA proposes the accompanying amendments 5 through 7 to guarantee that insurers provide or deny written consent uniformly.

Finally, consistent with the Senate amendments to Section 3 (page 3, lines 17-19), MTLA believes that expenditures for the fraud prevention and detection unit in the State Fund should be regularly recorded and reported separately. Additionally, however, MTLA believes that the State Fund should report those expenses in conjunction with the amounts recovered as a result of its investigations, prosecutions, and prevention. For that reason, MTLA proposes the accompanying amendment 8.

Thank you for considering these comments. If I can provide additional information or assistance, please notify me.

Respectfully,

A handwritten signature in black ink, appearing to read "Russell B. Hill". The signature is fluid and cursive, with the first name "Russell" and last name "Hill" clearly distinguishable.

Russell B. Hill  
Executive Director

Amendments to Senate Bill 164  
Third Reading Bill (Blue Copy)

Requested by the Montana Trial Lawyers Association  
March 16, 1993

1. Page 4, line 1.  
Following: "who"  
Insert: "purposely or knowingly"
2. Page 6, line 8.  
Following: "who"  
Insert: "purposely or knowingly"
3. Page 8, line 2.  
Following: "who"  
Insert: "purposely or knowingly"
4. Page 10, line 17.  
Following: "who"  
Insert: "purposely or knowingly"
5. Page 6, line 11.  
Following: "45-6-301."  
Insert: "An insurer shall establish and comply with procedures for providing or denying written consent."
6. Page 8, line 5.  
Following: "45-6-301."  
Insert: "An insurer shall establish and comply with procedures for providing or denying written consent."
7. Page 10, line 20.  
Following: "45-6-301."  
Insert: "An insurer shall establish and comply with procedures for providing or denying written consent."
8. Page 3, line 19.  
Following: "expended"  
Insert: "and recovered"

# Montana Trial Lawyers ASSOCIATION

EXHIBIT #13  
DATE 3/16/93  
# SB-347

## Directors:

Wade Dahood  
Director Emeritus  
Monte D. Beck  
Thomas J. Beers  
Michael D. Cok  
Michael W. Cotter  
Karl J. Englund  
Robert S. Fain, Jr.  
Victor R. Halverson, Jr.  
Gene R. Jarussi  
Peter M. Meloy  
John M. Morrison  
Gregory S. Munro  
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Paul M. Warren  
Michael E. Wheat

Executive Office  
#1 Last Chance Gulch  
Helena, Montana 59601  
Tel: 443-3124

March 10, 1993

## Officers:

Thomas J. Beers  
President  
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President-Elect  
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Vice President  
Michael E. Wheat  
Secretary-Treasurer  
William A. Rossbach  
Governor  
Paul M. Warren  
Governor

Rep. Tom Nelson, Chair  
House Labor and Employment Relations Committee  
Room 437, State Capitol  
Helena, MT 59620

RE: SB 347

Mr. Chair, Members of the Committee:

Thank you for this opportunity to express MTLA's opposition to portions of SB 347, which revises workers compensation law regarding medical benefits. MTLA opposes numerous provisions of SB 347:

1. The bill reflects an underlying assumption that current law guarantees excessive medical benefits to injured workers. That assumption is incorrect. Current law may indeed provide medical benefits to injured workers inefficiently, and MTLA supports efforts to reduce wasteful and duplicative medical services. But instead of repairing certain problems, SB 347 concludes that they are irreparable and amputates them:

\* Instead of correcting mismanaged care for pain, the bill denies injured workers treatment for pain altogether unless such treatment contributes to something called "medical stability" (Section 2, page 8, lines 11-13; page 9, lines 3-11; Section 3, page 12, beginning with line 7).

\* Instead of correcting mismanaged maintenance care, the bill denies virtually all maintenance care for injured workers--even those with permanent total disabilities. Injured workers will only be entitled to maintenance care "to monitor administration of prescription medication" or "to monitor the status of a prosthetic device"--if they need maintenance care to feed, dress, or otherwise care for themselves, they also need permission from the insurer (Section 3, page 12, beginning with line 7).

\* Instead of correcting mismanaged domiciliary care, the bill denies injured workers important domiciliary care (Section 11, pages 25-27).

2. SB 347 requires injured workers to pay for medical treatments (i.e., Section 3, page 15, lines 5-20) without regard to their ability to pay. Apparently without a written legal opinion, and on the basis of analogies to indemnity benefits, SB 347 seeks to insert a fundamental change into Montana's workers compensation system, a change which no other state in the nation has enacted. MTLA believes that requiring injured workers to pay for medical treatments violates the underlying bargain between employers and employees and seriously jeopardizes the exclusive remedy enjoyed by employees.

3. SB 347 reflects an underlying assumption that workers compensation insurers are trustworthy and deserve virtually unlimited discretion while injured workers and their medical providers use their discretion to exploit the system. For example:

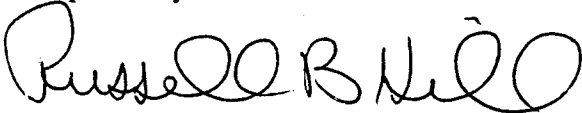
\* Section 10 authorizes an insurer to terminate any compensation benefits, not just when an injured worker in fact unreasonably refuses to cooperate but also whenever the insurer believes that the worker has unreasonably refused to cooperate (page 25, line 13).

\* Section 11 drastically limits the situations in which an insurer must provide domiciliary care and even then requires such care, not from the date when the claimant needs it but from the date when the insurer knows, by a "preponderance of credible medical evidence" and "with a reasonable degree of particularity," that the claimant needs it (page 25, line 24 through page 26, line 6).

MTLA urges this committee to distinguish between provisions of SB 347 which challenge inefficiencies and provisions which surrender to such inefficiencies. MTLA urges this committee to reject the latter provisions.

Thank you for considering these comments. If I can provide additional information or assistance, please contact me.

Respectfully,



Russell B. Hill  
Executive Director

# Montana Trial Lawyers ASSOCIATION

**Directors:**

Wade Dahood  
Director Emeritus  
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Thomas J. Beers  
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Michael E. Wheat

Executive Office  
#1 Last Chance Gulch  
Helena, Montana 59601  
Tel: 443-3124

March 16, 1993

**Officers:**

Thomas J. Beers  
President  
Monte D. Beck  
President-Elect  
Gregory S. Munro  
Vice President  
Michael E. Wheat  
Secretary-Treasurer  
William A. Rossbach  
Governor  
Paul M. Warren  
Governor

Rep. Tom Nelson, Chair  
House Labor and Employment Relations Committee  
Room 437, State Capitol  
Helena, MT 59620

RE: HB 361

Mr. Chair, Members of the Committee:

Thank you for this opportunity to express MTLA's opposition to HB 361, which generally revises workers compensation benefits. MTLA opposes the bill on the basis of several concerns, including:

1. The definition in Section 1 of "objective medical findings" (beginning at page 4, line 23) conflicts with the recommendation of the subcommittee of the Governor's Task Force on Workers Compensation, which debated this issue and reported that the last sentence regarding complaints of pain should be deleted "to protect a worker who suffers genuine pain." The workers compensation court, which is in the best position to evaluate the credibility of witnesses, currently determines whether pain is genuine and whether it causes physical restrictions. This bill, however, presumes to remove the issue from claimants, doctors, and the workers compensation court and submit it instead to some unspecified marvel of modern medicine tantamount to a Pain-O-Meter. Like headaches, other pain can be very real and debilitating yet resist objective clinical findings.

2. HB 361 effectively requires "objective medical findings"--and thus additional medical expenses--in all cases, not just those cases based solely on complaints of pain. It virtually guarantees increased health-care costs. For example, even in cases which involve complaints of pain alone without supporting medical evidence, some of those claims are presumably legitimate and some of those illegitimate claims are presumably detected and rejected. Yet HB 361 requires "objective medical findings" in all such cases. Moreover, some claimants will immediately demand "objective medical findings" even if, in hindsight, those findings prove unnecessary or excessive. Injured workers in

rural areas without sophisticated clinical equipment will incur additional travel expenses to obtain "objective medical findings." And finally, in light of other provisions of HB 361 requiring claimants to prove that workplace injuries are the major contributing cause or primary cause of resulting conditions, insurers which seek to introduce evidence of pre-existing conditions, non-work-related injuries, and similar contributing causes will also, like claimants, be forced to obtain "objective medical findings" to substantiate those other contributing causes.

3. By limiting the definition of "injury" in Section 2 to physical harm established by "objective medical findings," the bill expands the circumstances under which an injured worker can sue an employer for civil damages. Workers who cannot obtain "objective medical findings" are not injured within the scope of workers compensation law. Similarly, employers and insurers may face enormous problems in connection with workers who for precisely that reason prefer not to obtain "objective medical findings."

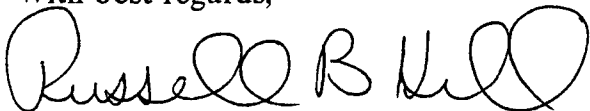
4. The amendment in Section 2 to 39-71-119(5), MCA (page 8, line 24) directly contradicts the Montana Supreme Court's holding in the 1990 Gaumer case (795 P.2d 77). The facts of that case vividly illustrate not only the dangers of this amendment but also, perhaps, the motivation behind it. The State Fund initially denied liability for the claim, not because of any contention based on cumulative physical harm, but instead because it claimed it could not identify the exact chemical agent responsible for the injury. The hearings examiner, workers compensation court, and Montana Supreme Court each declared the State Fund's denial of liability unreasonable and imposed a 20 percent penalty on all benefits because the State Fund made no effort to investigate the cause of the injury, even after a physician's report linking the injury to exposure to workplace chemicals.

5. Section 4 of the bill regarding pre-existing conditions (page 12, lines 10-19) requires doctors to do the impossible: determine whether an aggravation of a pre-existing condition is responsible for more than 50 percent of the resulting condition. Worse, the amendment potentially requires doctors to do so repeatedly in order to determine whether the aggravating injury remains (page 12, line 14) the major contributing cause. Finally, introducing the element of "major contributing cause" will necessarily increase litigation expenses, as the parties dispute the significance of health conditions completely unrelated to the workplace accident.

6. Section 5 of the bill penalizes precisely those claimants who avoid unnecessary medical care, who struggle to overcome pain and injuries without medical treatment and without claiming workers compensation benefits.

Thank you for considering these comments. If I can provide additional information or assistance, please contact me.

With best regards,

A handwritten signature in black ink, appearing to read "Russell B. Hill". The signature is fluid and cursive, with the first name "Russell" being the most prominent part.

Russell B. Hill  
Executive Director

# Montana Trial Lawyers ASSOCIATION

**Directors:**

Wade Dahood  
Director Emeritus  
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Executive Office  
#1 Last Chance Gulch  
Helena, Montana 59601  
Tel: 443-3124

March 16, 1993

**Officers:**

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Vice President  
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Secretary-Treasurer  
William A. Rossbach  
Governor  
Paul M. Warren  
Governor

Rep. Tom Nelson, Chair  
House Labor and Employment Relations Committee  
Room 437, State Capitol  
Helena, MT 59620

RE: SB 394

Mr. Chair, Members of the Committee:

Thank you for this opportunity to express MTLA's opposition to SB 394, which further regulates certain attorney fees in workers compensation cases. MTLA opposes SB 394 for numerous reasons:

1. The attorney fees of claimants in workers compensation cases are already regulated, by administrative rules--unlike the fees paid by insurers to defense attorneys.
2. Since 1987, not a penny of the fees paid to claimants' attorneys comes from the pockets of employers, insurers, or Montana taxpayers. All such fees are paid entirely by claimants themselves. In contrast, every penny of the increasing fees paid to defense attorneys comes from employers (who pay premiums directly) or Montana taxpayers (who subsidize State Fund operations). Regrettably, workers compensation insurers are not even required to report the amounts which they spend on attorney fees, and no comparison between claimant and defense fees is possible.
3. Reports of claimants' attorney fees paid in workers compensation settlements include only those disputed cases in which a claimant obtained some recovery. However, since most claimants cannot afford to pay hourly attorney fees, most claimant attorneys (again unlike defense attorneys) agree to contingency fees and collect nothing at all if their client loses.
4. According to the most recent Department of Labor report of settlements:



\* Despite an increase of more than 20 percent in the number of settlements, total claimant attorney fees remained virtually unchanged from the previous year;

\* The average settlement amount decreased from approximately \$37,400 in 1991 to \$31,700 in 1992, continuing a five-year decline which has seen total settlements decrease by 30 percent since 1988;

\* The average claimant attorney fee per settlement decreased from approximately \$7,480 in 1991 to \$6,180 in 1992, continuing a five-year decline which has seen total attorney fees decline by nearly 40 percent since 1988;

\* The number of attorneys involved in settlements declined 10 percent between 1991 and 1992, a clear indication that fewer attorneys are willing to accept new (especially post-1991) workers compensation cases.

5. This Legislature is also considering, and will likely approve, fundamental changes in workers compensation laws that are already terribly complex. For example, several bills propose limiting workers compensation benefits (both indemnity and medical) to the proportion of an injury directly attributable to the workplace accident. Allocating the causes of injuries in this manner, and introducing the issue of non-work-related causes such as age and lifestyle, will either increase litigation or profoundly disadvantage injured workers who cannot obtain legal representation.

6. Section 1, subsection (3), by limiting a claimant attorney's fees to 15 percent of "any benefits obtained, through the attorney's efforts, up to the date on which the claim is accepted by the insurer" (page 2, lines 3-5), dramatically disadvantages claimant attorneys.

**Example:** An insurer initially denies compensability. The injured worker retains an attorney on a contingency-fee basis. The attorney researches the case for weeks, challenges the insurer, and prepares for hearing. At the last moment, the insurer admits compensability and agrees to pay the claimant full benefits--20 percent of which are past due and 80 percent of which will become due in the future. The claimant attorney can only calculate fees on the basis of the 20 percent of benefits which are past due.

MTLA requests the committee to adopt the accompanying amendment to subsection (3).

7. Section 1, subsection (6), by requiring even hourly fees to "be paid out of workers' compensation funds received by the claimant" (page 3, lines 13-14), effectively prohibits a claimant attorney from collecting hourly fees in unsuccessful cases and from collecting any fee whatsoever in advance. MTLA requests the committee adopt the accompanying amendment to subsection (6).

Thank you for considering these comments. If I can provide additional information or assistance, please contact me.

Respectfully,

Russell B. Hill, Executive Director

3-16-93  
SB-394

Amendments to Senate Bill 394  
Third Reading Copy (Blue Copy)

Requested by the Montana Trial Lawyers Association  
March 16, 1993

1. Page 2, line 5.

Strike: "accepted by the insurer or"

2. Page 3, line 12.

Following: "attorney's"

Insert: "contingency"

House Labor and Employer Relations Committee  
Honorable Tom Nelson, Chairman

Re: Senate Bill 394--a bill setting fee limits that lawyers may charge for Worker's Compensation cases

Recommendation: The bill as it now stands is arbitrary and will most likely be struck down by a court. The result will be that no laws will be in effect regulating attorney fees.

The bill which this Committee is now considering probably will not withstand a court challenge. There is first the question of whether the legislature can impose fee limits in this situation. But more important for the bill at this point is the question of whether the legislature can impose an arbitrary fee limit on attorneys who represent claimants. As the bill now stands there are absolutely no criteria and there is no legislative history as to how the cap of \$7,500 was arrived at. From all that appears, the legislator who sponsored the bill could simply have pulled the figure out of a hat.

The same can be said for the maximum chargeable fee of \$75 per hour up to a cap of \$7,500. What factors were considered in arriving at this \$75 per hour figure? Again, it appears that this figure was pulled out of a hat.

Simply stated, there is no background basis for any of the figures imposed here as fee limits. By using such arbitrary procedures, this legislature is setting the attorney fee caps up to be struck down by the courts. The result will be that there will then be no attorney fee caps and the legislature may well have to be called into a special session, at a great expense to the public. And solely because the legislature chose initially to be arbitrary in its choice of the figures as representing the caps.

Sadly enough, if this happens, the public will not blame the legislature, the press will not blame the legislature. Rather, the greedy attorneys will be blamed.

In this session, that can be best categorized as the avalanche approach to law making, it will probably be shown that the little snowball gathered in intensity to avalanche proportions, and much that was in the path of the avalanche was destroyed.

In the interests of saving the costs of a special session, at least on this issue of attorney fees, I suggest that the legislature take the attorney fee issue back to the drawing boards.

Respectfully,



Daniel J. Shea  
Representing a Point of View  
Helena, Montana

*Interdepartmental Coordinating  
Committee for Women*

EXHIBIT 411  
DATE 3/16/93  
HB ICCW

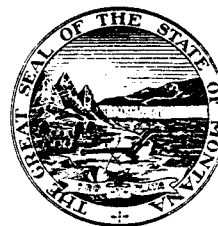
MARCH 15, 1993  
LABOR & EMPLOYMENT  
RELATIONS COMMITTEE

HB504 OPPONENT  
CONTACT: ANN MARIE GRITZUK  
444-6771

Mr. Chairman, members of the committee, for the record my name is Ann Marie Gritzuk and I represent the Interdepartmental Coordinating Committee for Women, known as ICCW. ICCW is in existence by Executive Order of the Governor to promote the full participation of women at all levels of state government.

While ICCW understands and appreciates the difficult budgetary problems that Montana faces today, especially in regard to the troubled workers' compensation funds, for several reasons we oppose House Bill 504 as a means to alleviate these problems. This approach is particularly harsh for public employees who are concerned about a pay freeze. The erosion of our income as a result of no inflationary increases in wage levels presents problems to some of us in meeting our basic needs. This problem will only be amplified with the addition of a 1% employee tax.

ICCW is particularly concerned about lower paid positions that will be hit especially hard by this tax. The individuals in these positions are least able to shoulder the added burden of a 1% tax and are often already struggling with many other financial problems. These lower paid positions are typically filled by women.



In addition to the impact on workers, as employers and businesses throughout Montana struggle to find the necessary funds to pay this tax, the result will most likely be fewer wage increases and possibly wage cuts, fewer employer provided benefits, less business investment, and ultimately job loss in our state. This will impact not only worker pay and business profitability, it will also impact Montana's economy in a very real way.

In all of the debate of the pros and cons of a statewide sales tax, it seems there is only one point that everyone can agree on: a sales tax is inherently regressive and care must be taken to remove as much of this regressivity as possible. The tax on workers that is proposed by HB504 is the ultimate in a regressive tax. At least with a sales tax an individual has some flexibility to make a "buy or not buy" decision. With a 1% across-the-board employee tax, there is no such discretion. A 1% tax will be assessed to all individuals equally, whether their income is \$100,000 or \$10,000. This will result in a grossly unfair distribution of the burden.

For all of these reasons, ICCW urges a "Do Not Pass" recommendation for HB504. We encourage you to continue working to find solutions to the workers' comp. fund problems that are less regressive and more fair.

Thank you for your time and consideration.

# OCAW

Oil, Chemical & Atomic Workers  
International Union, AFL-CIO



Dan C. Edwards  
International Representative  
P.O. Box 21635  
Billings, MT 59104

DATE 3/16/93  
HB

406 / 669-3253 (Home)

## SB 347

Testimony of:

Dan C. Edwards, International Representative  
Oil, Chemical & Atomic Workers Int'l Union, AFL-CIO  
P.O. Box 21635  
Billings, MT 59104

669-3253

Testifying before the House Select Committee on Workers' Compensation<sup>1</sup>, March 10, 1993, 3:00 p.m., Room 312-3.

\*\*\*\*\*

### THE DEAL IS DEAD

If this Bill, and its companion bills HB 604 and HB 504, become law the historic "deal" that brought about workers' compensation programs many decades ago is dead.

Workers' compensation laws are designed to provide an equitable system for handling work related injuries, illness and disabilities, and in so-doing protect the employer from law suits from injured employees. The U.S. Department of Labor describes workers' compensation as follows:

"Workmen's compensation was devised to assure that benefits would be paid to workers injured on the job, and that they would be paid promptly, with a minimum of legal formality, and without the necessity of fixing the blame for injury. Under laws the cost of work injuries is considered part of the cost of production."

Workers' compensation is a compromise, no-fault, system. It is not, and was not, intended to be totally satisfying to the worker or the employer. The injured worker does not receive his/her full remuneration for loss of wages, but they are entitled to immediate medical care and a percentage of their wages without delay.

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<sup>1</sup>. Copy of this testimony will also be provided to the members of the full House Labor and Employment Relations Committee.

The devastating attack that this session of the Montana legislature has seen on workers' compensation has only one victim -- the injured worker. This unrelenting attack is truly a case of "blame the victim".

It should be obvious to everyone concerned about Montana's workers' compensation crisis, that at least one of the major reasons for our dilemma is that far too many workers are being injured on-the-job. The State and employers must promote job safety which will result in fewer accidents and ultimately lower job injury insurance premiums. Job safety is good business for the employer as well as for the employee, his/her family, and the community. SB 163 promotes this concept and should be supported.

I would like to highlight some of the major problems with the Bill before you today:

Worker "fees" and premiums: This flies in the face of the entire workers' compensation concept. Immediate medical care at the employer's expense, and paid for by employers, is the major benefit for which workers gave up the right to sue. To ask employees to now pay a portion of the costs for workplace injuries, either through fees or premiums, must not be allowed. Not one of the 50 other states allow such fees, nor does any other state require employees to pay any portion of what is legitimately and morally the employer's workers' compensation premium.

Return to the "company doctor": Despite what some would have you believe, SB 347 returns the workers' compensation program to the days of sending the employee to the "company doctor", whose interest is far more likely to be beholding to the employer who pays his/her salary than to the injured employee. Color it any way you wish, you can not get around the fact that by forcing employees to only go to medical providers with whom the insurance carrier has a "contract", is a return to company doctorism.

Deny secondary medical services to permanently "partially" disabled workers: This provision, which denies secondary medical services to the permanently "partially" disabled unless there is a clear demonstration of cost-effectiveness of the services in returning the injured worker to actual employment, is simply barbaric. This would "cast out" those injured workers who may need help the most. Who decides what is "cost effective? I'll bet it's not the injured worker!

One concept of SB 347, "managed care" is supported by labor to facilitate lower costs. HB 628 provides managed care in a fair manner and should be resurrected.

Good legislation, as well as good administration, depends on sophisticated cooperation among all parties. The current whole-sale attack on the working men and women of this great State, is not the way to "fix" Montana's workers' compensation problems.

In closing, I urge this select committee, and the full House Labor and Employment Relations Committee, to reject the several Bills that totally do away with the original objectives of workers' compensation. Instead, methods that promote workplace safety and reward those employers with good safety and health programs, and other programs which deal with the staggeringly high accident rate in some Montana industries, must be found. Likewise, fair "managed care" should be adopted.

Please give SB 347 a do not pass.

Thank you. I will be glad to answer any questions at the conclusion of the hearing. I would also be pleased to discuss this matter with any Legislator at your convenience.

#####



Exhibit 18  
3-16-93  
SB-347

One concept of SB 347, "managed care" is supported by labor to facilitate lower costs. HB 628 provides managed care in a fair manner and should be resurrected.

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Please give SB 347 a do not pass.

Thank you. I will be glad to answer any questions at the conclusion of the hearing. I would also be pleased to discuss this matter with any Legislator at your convenience.

#####

March 15, 1993  
Honorable Marc Racicot  
Governor, State of Montana  
Capitol Building  
Helena, Montana 59601

EXHIBIT # 19  
DATE 3/16/93  
# SR-347

Re: Senate Bill 347, the Co-Payment provision of the so-called reformed Worker's Compensation Act. Section 7.

Request: That you recommend the co-payment language to be stricken, or at a minimum, that you recommend a means test and a sliding scale so that its impact does not fall primarily on the backs of the working poor.

Dear Governor Racicot:

At a hearing on this bill in the House last week, an agent from your office appeared to urge passage as is. I am sure that you are not personally familiar with the contents of this bill, nor was your agent sufficiently informed to be able to recommend passage as is. Mr. Governor, the co-payment provisions of this bill strike hard and place a heavy load on the backs of the working poor. But before I point out these glaring inequities, let me digress to a letter I gave to your office on February 17, 1993, imploring you to throw the weight of your office behind the laudable errors by Representative Tuss to increase the minimum wage from \$4.24 per to \$5.50 per hour. (House Bill 630).

One can only assume you chose not to do so, and no matter what your reasons may have been, I am sure the working poor will never understand or accept them as being justified. In that letter of February 17, 1993 I pointed out to you the pervasiveness of the working poor situation in this state. In part, I wrote:

Mr. Governor, you recently declared that you did not want to see a budget balanced on the backs of the state employees. This is all well and good Mr. Governor, but we know a place where all of society balances its books and budgets--They are balanced on the backs of the working poor.

\* \* \* \* \*

We could go on and on, and on, Mr. Governor. But suffice to say that thousands and thousands and thousands of Montanans comprise that class that we call the working poor. Please, Mr. Governor, we implore you to give you full and unrelenting support to bring the minimum wages in Montana up to \$5.50 per hour.

Needless to say, the bill to increase the minimum wages was not given your support. It went down to defeat in a house committee by a vote of 9 to 7. Nine Republicans voted to kill the bill and seven Democrats voted in favor of the attempt to increase the minimum wage to \$5.50 per hour. Perhaps your public support would have made the difference. But whether or not your public support would have made the difference, the fact is now that the working poor are facing at least two more years of earning wages that are no more than subsistence--certainly not a livable wage.

And this brings us to the present co-payment provisions of Senate Bill 347. These provisions will have a profound and negative impact on the working poor, a class which constitutes by far the

largest part of Montana's working force. If all these people quit working on any one day, Montana's economy would come to a complete stop. And it would not start up again until they returned to work.

The co-payment requirements of Senate Bill 347 place yet another burden on the backs of the working poor should they sustain an injury and require treatment by medical providers. Senate Bill 347 requires an injured worker, regardless of means, and regardless of compensation rate, to pay \$10 per visit to each provider or 20% of the provider's bill, whichever is less. The Act defines a visit as "each time" a patient sees a "treating physician", "a physical therapist", "a psychologist or hospital outpatient services available in a nonhospital setting."

This means, for example, that each time a patient sees a physical therapist, and this may easily be three to five times a week for an intense and protracted period of time (depending on the injury), the patient must pay from his own pocket \$10 per visit or 20% of the physical therapist's bill for each visit. If for example, the bill is \$50 for each treatment (and this is not at all unusual because of the nature of the time devoted by the physical therapist to the patient) the worker must pay \$10 as a minimum of \$10 per visit. If the injured worker sees the physical therapist three times a week, the worker must pay \$30 dollars per week as the copayment. But if the visits are five times per week, the worker must pay at least \$50 dollars per week as his share of the co-payment. In the first case of three visits per month the total cost is \$120 per month, in the second case of five visits per month, the total cost is \$200 per month.

One of the first questions we must ask is where does the injured worker get the money to make the copayments. The answer in almost all cases will be that he must take this money from his biweekly compensation benefits, which benefits will normally be two-thirds of what the hourly wage was, or at least two-thirds of the average hourly wage. This is a robbing Peter to pay Paul situation. Here the Act provides biweekly compensation to the worker on the one hand to provide a means of sustenance until the worker can get back to work. But to get back to work the injured worker may need a rather protracted period of intense physical therapy. However, in order to get this physical therapy, the injured worker must dip into his compensation benefits to come up with the money for the required co-payments. If he cannot come up with the money, he cannot get treatment. And if he does not take treatment his compensation benefits can be terminated. This is a classic Catch-22.

The above situation applies to all injured workers, regardless of what their hourly wage is or their average hourly wage. Each of them must pay the same amount, regardless of the amount of biweekly compensation they are receiving. For example, it would, all other things being equal, be much easier for an injured worker to pay the copayments of \$120 per month for physical therapy if he was getting a monthly compensation income of \$1,000. But what if the injured worker was getting only a a monthly compensation income of \$400 per month, such as would be the compensation benefits for the working poor. How could this working poor person live on the \$400 per month benefits, let alone pay back \$120 per month in the form of copayments as a condition of obtaining physical therapy treatments? This situation

is fraught with unfairness and discrimination.

At the House committee hearing last week, a restaurant worker from Billings testified that while she was receiving compensation benefits of a little over \$400 per month she was seeing a physical therapist five times a week for treatment of her injuries. How could she ever come up with the required \$10 per visit, 5 times per week, 20 times per month==\$200? This means that she would have only have \$200 per month to live on? At the same hearing I also stressed the inherent unfairness of the copayment provisions and how they discriminated against the working poor by imposing a heavy and indeed impossible burden on them to come up with the required copayments. The Committee voted passage without making any changes in these copayment requirements. Once again the working poor have been victimized by the system.

Also at the hearing last week, the Washington Corporation and Billings Deaconness Hospital endorsed SB 347 in total. But one can well imagine what the biweekly or monthly compensation benefits would be to an injured Washington Construction worker as compared to the benefits paid to a nurses aide at the Billings Deaconness Hospital. Yet, if both had the same injury and required virtually the same kind of treatment in terms of duration and intensity, one injured worker would most likely have the means to make the copayments, but the injured nurses aide would be financially devastated by being compelled to make the copayments as a condition of treatment and perhaps also a condition of full recovery.

These copayment requirements strike hardest at the working poor, compelling those to pay who are least able to pay, and who must pay the same amount as those who may be receiving two, three, or perhaps even four times the amount of biweekly or monthly compensation benefits. The nurses aide at Billings Deaconness Hospital will be compelled, for the same kind of injury, and the same kind of treatment, to pay a much higher percentage of her biweekly or monthly compensation benefits than her counterpart injured worker at Washington Construction. This is not only unfair, it may well be a denial of equal protection of the law.

Though the law on its face does not discriminate because all must make copayments of \$10 per visit, or 20% of the cost per visit, whichever is less, in fact this law places an unfair and discriminatory burden on the working poor because it compels them to pay back a higher percentage of their compensation benefits as a condition to obtaining medical provider treatment. The working poor in fact suffer the further consequences of their poverty when they attempt to seek medical provider services under the Workers' Compensation Act. Call it by any other name--this is discrimination--discrimination against the working poor.

So once again we have seen how government, how society, balances its books, budgets and profits on the backs of the working poor.

In summary, the concept of copayments, not original to Montana, conceivably has a desirable intent, but the concept, as applied here,


If any system of copayment has merit, it must, under any system of fairness, by means tested and have perhaps a sliding scale of copayments, depending on the biweekly or monthly compensation benefits received by the worker. Section 7 does not contain a means test or a sliding scale.

Second, a copayment in a worker's compensation context, loses any merit that it might have when we realize that the copayments must come from the compensation benefits enacted to sustain the worker at a minimum level during his period of recovery up to the time he returns to work if such be the case. The injured worker needs the compensation benefits to live on and should not be compelled to pay them over to a health service provider as a condition of obtaining medical provider treatment for his injury.

Third, and very important, because the copayment requirements have no means test or sliding scale mechanism based on ability to pay, the copayment requirements discriminate against the working poor, those least able to make the copayments from their compensation benefits, and because they are effectively denied medical provider treatment, they are denied equal protection of the law.

Mr. Governor, I hope you can find it in your heart to recommend that the copayment requirements of Section 7 be stricken from Senate Bill 347. Aside from the reasons given, they inflict simply one more indignity on the working poor of this state.

Sincerely and Respectfully

  
Daniel J. Shea  
Helena, Montana

cc. The Appropriate Committee Chairman and Members  
The Press

Amendments to House Bill No. 504  
Second Reading Copy

Requested by Rep. Benedict  
For the Committee on Labor and Employment Relations

Prepared by Susan B. Fox  
March 16, 1993

1. Page 10, line 1.

Following: the first "FROM"

Insert: "the reserves accumulated from premiums paid to the state  
fund, based upon wages payable on or after July 1, 1990, and  
invested by"

Amendments to House Bill No. 622  
Second Reading Copy

For the Committee on Labor and Employment Relations  
March 16, 1993

1. Title, line 21

Following: "Policyholders"

Insert: "ALLOWING GROUP PURCHASE OF WORKERS' COMPENSATION  
INSURANCE;"

2. Page 2, line 11

Insert: " STATEMENT OF INTENT

(This amendment requires that a statement of intent be  
attached to the bill because it requires the department rules to  
implement [Section 18 (4)]."

3. Page 30, line 25

Following: line 24

Insert: "

**NEW SECTION. Section 12. Definitions.** As used in [section  
18], the following definitions apply:

(1) "Business entity" means a business enterprise owned by  
a single person or a corporation, organization, business trust,  
trust, partnership, joint venture, association, or other business  
entity.

(2) "Group" means two or more business entities that join  
together with the approval of the Department to purchase  
individual worker's compensation insurance policies covering each  
business entity that is a part of the group.

**NEW SECTION. Section 1. Group purchase of workers'  
compensation insurance.** (1) On receiving approval of the  
Department, two or more business entities may join together to  
form a group to purchase individual workers' compensation  
insurance policies covering each member of the group.

(2) To be eligible to join a group, the department shall  
determine that a business entity is engaged in a business pursuit  
that is the same as or similar to the business pursuits of the  
other entities participating in the group.

(3) The department shall establish a certification program  
for groups organized under this section and shall issue to  
eligible business entities certificates of approval that  
authorize formation and maintenance of a group.

(4) The department by rule shall adopt forms, criteria, and  
procedures for the issuance of certificates of approval to groups  
under this section.

(5) A group certified under this section may purchase  
individual workers' compensation insurance policies covering each  
member of the group from any insurer authorized to write worker's  
compensation insurance in this state. Under an individual

policy, the group is entitled to a premium or volume discount that would be applicable to a policy of the combined premium amount of the individual policies.

(6) A group shall apportion any discount or policy holder dividend received on worker's compensation insurance coverage among the members the group according to a formula adopted in the plan of operation for the group.

(7) A group shall adopt a plan of operation that must include the composition and selection of a governing board, the methods for administering the group, and guidelines for the workers' compensation insurance coverage obtained by the group including the payment of premiums, the distribution of discounts, and the method for providing risk management. A group shall file a copy of its plan of operation with the Department."

4. Page 49, line 9

Following: line 8

Insert: "(3) [Sections 12 and 13] are intended to be codified as an integral part of Title 39, chapter 71, and the provisions of Title 39, chapter 71, apply to [sections 12 and 13]."



HOUSE OF REPRESENTATIVES  
VISITOR REGISTER

*Labor Employment*  
DATE *March 16, 1993*

COMMITTEE

BILL NO.

*HB 13*

SPONSOR(S)

*J. Benedict*

PLEASE PRINT

PLEASE PRINT

PLEASE PRINT

NAME AND ADDRESS	REPRESENTING	SUPPORT	OPPOSE
<i>George Wood</i>	<i>Mt Self Insurance Assoc</i>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
<i>Rich Zell</i>	<i>Gov's Office</i>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
<i>Jay &amp; Alice</i>	<i>SELF</i>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
<i>Jim Thimble</i>	<i>mt chamber</i>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
<i>Rich Zell</i>	<i>Gov Office</i>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
<i>Riley Johnson</i>	<i>NFIB</i>	<input checked="" type="checkbox"/> with amend.	<input type="checkbox"/>
<i>Jamie Duggan</i>	<i>Mt Cattlemen</i>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
<i>John Shantz</i>	<i>m HAM</i>	<input checked="" type="checkbox"/>	<input type="checkbox"/>

PLEASE LEAVE PREPARED TESTIMONY WITH SECRETARY. WITNESS STATEMENT FORMS  
ARE AVAILABLE IF YOU CARE TO SUBMIT WRITTEN TESTIMONY.

HOUSE OF REPRESENTATIVES  
VISITOR REGISTER

Labor & Employment

COMMITTEE

BILL NO.

HB 13

DATE

March 16, 1993

SPONSOR(S)

J. Benedict

PLEASE PRINT

PLEASE PRINT

PLEASE PRINT

NAME AND ADDRESS	REPRESENTING	SUPPORT	OPPOSE
Jaqueline Denmark	Am. Ins. Assoc	x w/ amdt	
Dick Mease	MYCA	x	

PLEASE LEAVE PREPARED TESTIMONY WITH SECRETARY. WITNESS STATEMENT FORMS ARE AVAILABLE IF YOU CARE TO SUBMIT WRITTEN TESTIMONY.

HOUSE OF REPRESENTATIVES  
VISITOR REGISTER

*Labor Employment*

COMMITTEE

BILL NO.

*HB 13*

DATE *March 16, 1993*

SPONSOR(S)

*J. Benedict*

PLEASE PRINT

PLEASE PRINT

PLEASE PRINT

NAME AND ADDRESS	REPRESENTING	SUPPORT	OPPOSE
<i>Russ Logar</i>	<i>Billings Chamber of Commerce Coalition for Work Camp Inexp</i>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
<i>Charles R. Bouley</i>	<i>MT. Rep. N. L. 17550C</i>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
<i>Loria Wright</i>	<i>mt. Phys. Ther. Assoc.</i>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
<i>Vaite B. Helms</i>	<i>Sec. Arm. &amp; JPR</i>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
<i>John Jensen</i>	<i>CWCSF Chairman</i>	<input checked="" type="checkbox"/>	<input type="checkbox"/>

PLEASE LEAVE PREPARED TESTIMONY WITH SECRETARY. WITNESS STATEMENT FORMS  
ARE AVAILABLE IF YOU CARE TO SUBMIT WRITTEN TESTIMONY.

HOUSE OF REPRESENTATIVES  
VISITOR REGISTER

*Labor & Employment Relations* COMMITTEE

BILL NO. *SB 163*

DATE *March 16, 1993* SPONSOR(S) *J. Harp*

PLEASE PRINT

PLEASE PRINT

PLEASE PRINT

NAME AND ADDRESS	REPRESENTING	SUPPORT	OPPOSE
<i>Russ Logan</i>	<i>Blogs Chamber</i>	<i>X</i>	
<i>CHUCK R. BRIDGES</i>	<i>MT REPUBLICAN ASSOC</i>	<i>X</i>	
<i>Don Judge</i>	<i>MT STATE AFL-CIO</i>	<i>X</i>	
<i>Don Edwards</i>	<i>OCADW</i>	<i>X</i>	
<i>Linda Thack</i>	<i>MT. Farm Bureau</i>	<i>X</i>	

PLEASE LEAVE PREPARED TESTIMONY WITH SECRETARY. WITNESS STATEMENT FORMS ARE AVAILABLE IF YOU CARE TO SUBMIT WRITTEN TESTIMONY.

HOUSE OF REPRESENTATIVES  
VISITOR REGISTER

*Labor & Employment Relations* COMMITTEE

BILL NO.

*SB 163*

DATE *March 16, 1993* SPONSOR(S)

*J. & J. Harg*

PLEASE PRINT

PLEASE PRINT

PLEASE PRINT

NAME AND ADDRESS	REPRESENTING	SUPPORT	OPPOSE
<i>Jaqueline Denmark</i>	<i>Am. Ins. Assoc.</i>	<i>X</i>	
<i>WAYNE EDSALL</i>	<i>EDSALL CONSTRUCTION CO.</i>	<i>X</i>	
<i>C. HUNTER</i>	<i>DLI</i>	<i>X</i>	
<i>Mike Micon</i>	<i>MMCA</i>	<i>X</i>	

PLEASE LEAVE PREPARED TESTIMONY WITH SECRETARY. WITNESS STATEMENT FORMS ARE AVAILABLE IF YOU CARE TO SUBMIT WRITTEN TESTIMONY.

HOUSE OF REPRESENTATIVES  
VISITOR REGISTER

*Labor & Employment Relations* COMMITTEE

BILL NO. *SB 163*

DATE *March 16, 1993*

SPONSOR(S) *J. Harp*

PLEASE PRINT

PLEASE PRINT

PLEASE PRINT

NAME AND ADDRESS	REPRESENTING	SUPPORT	OPPOSE
<i>Genge Wood</i>	<i>MT Self Insurance</i>	✓	
<i>John Turpin</i>	<i>MT &amp; Cham Bank</i>	✓	
<i>Rich Hill</i>	<i>Gov Office</i>	✓	
<i>Riley Johnson</i>	<i>NFIB</i>	✓	
<i>Don Alb</i>	<i>CWCSI</i>	✓	
<i>TEEDY MITTON</i>	<i>CWCSI</i>	✓	
<i>Barry Lunn</i>	<i>MT PT Assoc</i>	✓	
<i>Jeanne Blumley</i>	<i>MT Cit. Amer. PT. Assoc</i>	✓	
<i>Janice Duggitt</i>	<i>MT Cattlemen</i>	✓	
<i>Harlee Thompson</i>	<i>MBIA</i>	✓	
<i>Mark Soule</i>	<i>CWCSI</i>	✓	
<i>LARS ERICSON</i>	<i>CARPENTERS Union - CWCSI</i>	✓	

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*Labor & Employment Relations* COMMITTEE

BILL NO. *AB164*

DATE *March 16, 1993* SPONSOR(S) *J. Harp*

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NAME AND ADDRESS	REPRESENTING	SUPPORT	OPPOSE
<i>Jaqueline Denmark</i>	<i>Am. Ins. Assoc.</i>	<i>X</i>	
<i>WAYNE EDSALL</i>	<i>EDSALL Construction</i>	<i>X</i>	
<i>Mike McCain</i>	<i>MMCA</i>	<i>X</i>	

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*Labor & Employment Relations* COMMITTEE

BILL NO. *SB 164*

DATE *March 16, 1993* SPONSOR(S) *J. Harp*

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NAME AND ADDRESS	REPRESENTING	SUPPORT	OPPOSE
<i>Russ Logan</i>	<i>Blg Chamber</i>		
<i>Charles R. Brooks</i>	<i>INT RETAIL ASSOC</i>	<input checked="" type="checkbox"/>	
<i>Don Judge</i>	<i>MT STATE AFL-CIO</i>	<i>Amend</i>	
<i>Don Edwards</i>	<i>acku</i>	<i>Amend</i>	
<i>Lorna Frank</i>	<i>Mr. Darn Burian</i>	<input checked="" type="checkbox"/>	

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Labor & Employment Relations COMMITTEE  
DATE March 16, 1993 SPONSOR(S) J. Harp

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NAME AND ADDRESS	REPRESENTING	SUPPORT	OPPOSE
Leanne Wood	Int Self Insurance Assoc.	✓	
Beth Baker	Dept of Justice	✓	
Angela Niece	Self	✓	
Chris Thompson	U.S. Chamber	✓	
Rich Zell	Gov. Office	✓	
RILEY JOHNSON	NFIB	✓	
Don Bell	CWCSI	✓	
TERRY MITTON	CWCSI	✓	
Oliver	MMIA-MACO, MBIA	✓	
GARY LUSIN	MTCHPT APTA	✓	
Jamie Duggan	MT Cattlemen	✓	
HARLEE THOMPSON	MBIA	✓	
CARL ERICSON	CARPENTERS Union	✓	

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*Labor & Employment Relations* COMMITTEE

BILL NO. *SB 347*

DATE *March 16, 1993* SPONSOR(S) *J. Harp*

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NAME AND ADDRESS	REPRESENTING	SUPPORT	OPPOSE
<i>Boyd Ward</i>	<i>MT Self Insurance Assn.</i>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
<i>Dan Shea</i>	<i>A Point of View</i>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
<i>James Hice</i>	<i>Self</i>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
<i>Jim Trotter</i>	<i>MT Chamber of Commerce</i>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
<i>Kirk Hanson</i>	<i>MT ASSO INDEP P.T.</i>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
<i>Lee Buchanan</i>	<i>MT. assoc. indep P.T.</i>	<input type="checkbox"/>	<input type="checkbox"/>
<i>Bob Olsen</i>	<i>MT Hospital Assoc.</i>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
<i>Rich Hill</i>	<i>Gov Office</i>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
<i>Riley Johnson</i>	<i>NFIB</i>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
<i>Don Allen</i>	<i>CWCSF</i>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
<i>PAUL SMIETANKA</i>	<i>MONTANA PODIATRIC MEDICAL ASSOCIATION</i>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
<i>TERRY MITTON</i>	<i>CWCSF</i>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
<i>Oliver Gu</i>	<i>MMIO MACO MONTA</i>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
<i>Amie Duggitt</i>	<i>MT Cattlemen</i>	<input checked="" type="checkbox"/>	<input type="checkbox"/>

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*HARLEE Thompson*  
*LARS ERICSON*

*WPIA*

SUPP. ☒ OPPOSE ☐

*X*

HOUSE OF REPRESENTATIVES  
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Labor & Employment Relations COMMITTEE

BILL NO. SB 347

DATE March 16, 1993 SPONSOR(S) J. Harp

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NAME AND ADDRESS	REPRESENTING	SUPPORT	OPPOSE
Russ Logan	Bls Chamber	X	
Charles R Brooks	NAT RPTN, L 17550	-	
Don Judge	MT STATE AFL-CIO		X
DAN Edwards	OCRW		X
John Malone	M.F.T. / M.F.S.E		X
Lori Wright	Mont. PT ASSN	-	
Carl Ericson	CARPENTERS Union		X
Russ Logan	Bls Chamber	X	

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HOUSE OF REPRESENTATIVES  
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*Labor & Employment Relations* COMMITTEE

BILL NO.

*SB 347*

DATE

*March 16, 1993*

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NAME AND ADDRESS	REPRESENTING	SUPPORT	OPPOSE
<i>Mr. Reginald Denmark</i>	<i>Am. Ins. Assoc.</i>	<i>X w/and</i>	
<i>WAYNE EDSALL</i>	<i>EDSALL Construction</i>	<i>X</i>	
<i>Mike Miano</i>	<i>PMCA</i>	<i>X</i>	

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Labor & Employment Relations COMMITTEE

BILL NO. HB 361

DATE March 16, 1993 SPONSOR(S) C. Hibbard

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NAME AND ADDRESS	REPRESENTING	SUPPORT	OPPOSE
Charles R. Brooks	MT Ret. L Assoc	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Don Judge	MT STATE AFL-CIO	<input type="checkbox"/>	<input checked="" type="checkbox"/>
DAN Edwards	BCMW	<input type="checkbox"/>	<input checked="" type="checkbox"/>
John Galea	M.F.T./M.F.S.E.	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Lorna Frank	Mt. Farm Bureau	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Rdg		<input type="checkbox"/>	<input type="checkbox"/>
Russ Logan	Bls Chamber	<input checked="" type="checkbox"/>	<input type="checkbox"/>
		<input type="checkbox"/>	<input type="checkbox"/>
		<input type="checkbox"/>	<input type="checkbox"/>
		<input type="checkbox"/>	<input type="checkbox"/>
		<input type="checkbox"/>	<input type="checkbox"/>
		<input type="checkbox"/>	<input type="checkbox"/>
		<input type="checkbox"/>	<input type="checkbox"/>
		<input type="checkbox"/>	<input type="checkbox"/>
		<input type="checkbox"/>	<input type="checkbox"/>

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*Labor & Employment Relations*  
DATE *March 16, 1993* SPONSOR(S) *C. Hibbard*

BILL NO. *HB 361*

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NAME AND ADDRESS	REPRESENTING	SUPPORT	OPPOSE
<i>Longwood</i>	<i>mt Self Insurance Assoc</i>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
<i>James Hill</i>	<i>Self</i>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
<i>John Thompson</i>	<i>asst chamber</i>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
<i>Dick Hill</i>	<i>Gov. Office</i>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
<i>Riley Johnson</i>	<i>NFIB</i>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
<i>Don Allen</i>	<i>CWCS</i>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
<i>TERRY MITTON</i>	<i>CWCSI</i>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
<i>Oliver Lee</i>	<i>MMIA, MACO, MCGIA</i>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
<i>Jamie Daggett</i>	<i>MT Patheamun</i>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
<i>Harlee Thompson</i>	<i>MBFA</i>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
<i>LARS ERICSON</i>	<i>CARPENTERS Union</i>	<input type="checkbox"/>	<input checked="" type="checkbox"/>

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*Labor & Employment R.* COMMITTEE

BILL NO.

*FB 361*

DATE *March 16, 1993* SPONSOR(S)

*G. Hubbard*

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NAME AND ADDRESS	REPRESENTING	SUPPORT	OPPOSE
<i>Jeorgulie Bernmark</i>	<i>Am. Ins. Assoc.</i>	<i>X</i>	
<i>DWAYNE EDSALL</i>	<i>EDSALL Construction</i>	<i>X</i>	
<i>Mike McCain</i>	<i>MICA</i>	<i>X</i>	

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HOUSE OF REPRESENTATIVES  
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*Labor & Employment Relations* COMMITTEE  
DATE *March 16, 1993* SPONSOR(S) *J. Harp*

BILL NO. *SB 394*

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NAME AND ADDRESS	REPRESENTING	SUPPORT	OPPOSE
<i>Don Shea</i>	<i>A Point of View</i>		<input checked="" type="checkbox"/>
<i>Kick Hull</i>	<i>Gov Office</i>	<input checked="" type="checkbox"/>	
<i>Riley Johnson</i>	<i>NFIB</i>	<input checked="" type="checkbox"/>	
<i>Don Allen</i>	<i>CWCS</i>	<input checked="" type="checkbox"/>	
<i>TERRY MITTON</i>	<i>CWCSI</i>	<input checked="" type="checkbox"/>	
<i>Oliver</i>	<i>MMIA, MACO, MSGIA</i>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
<i>Jamie Hoggatt</i>	<i>Wt Caterwoner</i>	<input checked="" type="checkbox"/>	
<i>HARLEE Thompson</i>	<i>MBIA</i>	<input checked="" type="checkbox"/>	
<i>Lars Ericson</i>	<i>CARPENTERS Union</i>		<input checked="" type="checkbox"/>

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*Labor & Employment Relations* COMMITTEE

BILL NO. *SB 394*

DATE *March 16, 1993* SPONSOR(S) *J. J. Harp*

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NAME AND ADDRESS	REPRESENTING	SUPPORT	OPPOSE
<i>Don Judge</i>	<i>MT STATE AFL-CIO</i>		<i>X</i>
<i>DAN Edwards</i>	<i>OCAW</i>		<i>X</i>
<i>Russ Logan</i>	<i>Bigs Chamber</i>	<i>X</i>	

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HOUSE OF REPRESENTATIVES  
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*Labor & Employment Relations* COMMITTEE

BILL NO. *SB 394*

DATE *March 16, 1993* SPONSOR(S) *J. D. Harp*

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NAME AND ADDRESS	REPRESENTING	SUPPORT	OPPOSE
<del>Marjuline Denmark</del>			
DWAYNE EDSALL	EDSALL CONSTRUCTION	X	
Tube Union	MMCA	X	

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HOUSE OF REPRESENTATIVES  
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*Labor & Employment Relations* COMMITTEE

BILL NO. *HB 453*

DATE *March 16, 1993* SPONSOR (S)

*B. Molnar*

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NAME AND ADDRESS	REPRESENTING	SUPPORT	OPPOSE
<i>Jaqueline Denmark</i>	<i>Am. Ins. Assoc.</i>	<i>X</i>	
<i>MICHAEL S. MIZENKO</i>	<i>MT. STATE Bldg &amp; Const. Council</i> <i>MT. STATE ASSOC. of Plumbers &amp; Pipefitters</i>	<i>X</i>	
<i>Nike Mison</i>	<i>NMCA</i>	<i>X</i>	

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Labor & Employment Relations COMMITTEE

BILL NO. HB 453

DATE March 16, 1993 SPONSOR(S) B. Molnar

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NAME AND ADDRESS	REPRESENTING	SUPPORT	OPPOSE
Russ Logan	Bls Chamber	X	

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*Labor & Employment Relations* COMMITTEE  
DATE *March 16, 1993* SPONSOR(S) *J. Benedict*

BILL NO. *HB 504*

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NAME AND ADDRESS	REPRESENTING	SUPPORT	OPPOSE
<i>Charles R. Brooks</i>	<i>MT Retail Assoc</i>		<input checked="" type="checkbox"/>
<i>Don Judge</i>	<i>MT STATE AFL-CIO</i>		<input checked="" type="checkbox"/>
<i>Dan Edwards</i>	<i>OCAW</i>		<input checked="" type="checkbox"/>
<i>John Malee</i>	<i>M.F.T. / M.R. SE</i>		<input checked="" type="checkbox"/>
<i>Russ Logan</i>	<i>Bigs Chamber</i>	<input checked="" type="checkbox"/>	

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VISITOR REGISTER

*Labor & Employment Relations Committee*  
DATE *March 16, 1993* SPONSOR(S) *J. Benedict* BILL NO. *HB 504*

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NAME AND ADDRESS	REPRESENTING	SUPPORT	OPPOSE
<i>C Maharg</i>	<i>DOR</i>		
<i>George Ward</i>	<i>Int Self Insurance</i>		<input checked="" type="checkbox"/>
<i>Jim Tuttle</i>	<i>Int Chamber</i>		<input checked="" type="checkbox"/>
<i>Jaymie</i>	<i>Self</i>		<input checked="" type="checkbox"/>
<i>Rich Hill</i>	<i>Gov Office</i>	<input checked="" type="checkbox"/>	
<i>Riley Johnson</i>	<i>NFIB</i>		<input checked="" type="checkbox"/>
<i>TERRY MITTON</i>	<i>SELF</i>		<input checked="" type="checkbox"/>
<i>Lars Erickson</i>	<i>CARPENTERS Union</i>		<input checked="" type="checkbox"/>
<i>Ted S Dovey</i>	<i>ASARCO</i>		<input checked="" type="checkbox"/>

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*Labor & Employment Relations*  
DATE *March 16, 1993* SPONSOR(S) *J. Benedict*

BILL NO. *NB 504*

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NAME AND ADDRESS	REPRESENTING	SUPPORT	OPPOSE
<i>Jacqueline Denmark</i>	<i>Am. Ins. Assoc.</i>	<i>qualified</i> <i>X</i>	

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Lab. & Employment Relations COMMITTEE

BILL NO. HB 511

DATE March 16, 1993 SPONSOR(S) C. Hibbard

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NAME AND ADDRESS	REPRESENTING	SUPPORT	OPPOSE
Charles R. Brooks	MT Rep. L. Assoc		<input checked="" type="checkbox"/>
Don Judge	MT STATE AFL-CIO	X	
DAN EDWARDS	OCBW	X	
Russ Logan	Bigs Chamber	X	

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*Labor & Employment Relations*

COMMITTEE

BILL NO. *HB 511*

DATE *March 16, 1993*

SPONSOR(S) *C. Hubbard*

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NAME AND ADDRESS	REPRESENTING	SUPPORT	OPPOSE
<i>George Ward</i>	<i>Mt Self Insurance Assoc</i>		<input checked="" type="checkbox"/>
<i>Judy Alice</i>	<i>Self</i>		<input checked="" type="checkbox"/>
<i>Robert Olson</i>	<i>MT Hospital Assoc</i>	<input checked="" type="checkbox"/>	
<i>Oliver Goe</i>	<i>MMIA-PACO, MSGIA</i>		<input checked="" type="checkbox"/>
<i>GARY Lusin</i>	<i>Montana PT Assoc</i>	<input checked="" type="checkbox"/>	
<i>Jamie Eggert</i>	<i>MT Cattlemen</i>	<input checked="" type="checkbox"/>	
<i>Lorin Wright</i>	<i>Mt. Phys. Ther. Assn.</i>	<input checked="" type="checkbox"/>	

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HOUSE OF REPRESENTATIVES  
VISITOR REGISTER

*Labor & Employment Relations* COMMITTEE

BILL NO. *HB 587*

DATE *March 16, 1923*

SPONSOR(S) *H. Harper*

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NAME AND ADDRESS	REPRESENTING	SUPPORT	OPPOSE
<i>Bell Lombardi</i>	<i>State Auditor's office</i>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
<i>Jay Price</i>		<input type="checkbox"/>	<input checked="" type="checkbox"/>
<i>Stan Kalczyk</i>	<i>NCCI</i>	<input checked="" type="checkbox"/>	<input type="checkbox"/>

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HOUSE OF REPRESENTATIVES  
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Labor & Employment Relations COMMITTEE

BILL NO. HB 587

DATE March 16, 1993 SPONSOR(S) H. Harper

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NAME AND ADDRESS	REPRESENTING	SUPPORT	OPPOSE
<u>Russ Logan</u>	<u>Blogs Chamber</u>	<u>X</u>	

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*Labor & Employment Relations* COMMITTEE

BILL NO.

*HB 587*

DATE

*March 16, 1993*

SPONSOR(S)

*H. Harper*

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NAME AND ADDRESS	REPRESENTING	SUPPORT	OPPOSE
<i>Jaqueline Denmark</i>	<i>Am. Bus. Assoc.</i>	<i>X</i>	

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Labor & Employment Relations COMMITTEE

BILL NO. HB 622

DATE March 16, 1973 SPONSOR(S) D. Evers

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NAME AND ADDRESS	REPRESENTING	SUPPORT	OPPOSE
<u>Gary Ward</u>	<u>MT Self Insurers</u>	<u>checked</u>	
<u>Jim Tinkler</u>	<u>MT CROOKS</u>	<u>✓</u>	
<u>Angela Rice</u>		<u>✓</u>	
<u>Bill Ceivello</u>	<u>Rehab Assn of MT</u>	<u>✓</u>	
<u>Oliver Cole</u>	<u>MMIA MSGIA MACO</u>	<u>✓</u>	
<u>Jerome B Connolly</u>	<u>MT Ch Amer P.T. Assoc</u>	<u>✓</u>	
<u>Jamie Duggitt</u>	<u>MT Cattlemen</u>	<u>✓</u>	
<u>Loni Wright</u>	<u>mt. phys. Ther. Assn</u>	<u>✓</u>	
<u>Harlee Thompson</u>	<u>MBIA</u>	<u>✓</u>	
<u>LARS ERICSON</u>	<u>CARPENTERS UNION - CWCST</u>	<u>✓</u>	

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**HOUSE OF REPRESENTATIVES  
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BILL NO AB 622

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Labor & Employment Relations COMMITTEE

BILL NO. HB 622

DATE March 16, 1993 SPONSOR(S) D. Ewer

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NAME AND ADDRESS	REPRESENTING	SUPPORT	OPPOSE
Jaqueline Denmark	Am. Mus. Assoc.	X	
Michael S. MIZENKO	Mt. STATE Assoc. plumbers & pipe fitters Mt. STATE Building Const. Council	X	
WAYNE EDSALL	EDSALL Construction	X	
Mike McNamee	MMCA	<del>Am. Mus.</del> X	

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*Labor & Employment Relations* COMMITTEE

BILL NO. *HB 628*

DATE *March 16, 1993* SPONSOR(S) *Sen. Toole*

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NAME AND ADDRESS	REPRESENTING	SUPPORT	OPPOSE
<i>Don Judge</i>	<i>MT STATE AFL-CIO</i>	<i>X</i>	
<i>Don Edwards</i>	<i>ACNW</i>	<i>X</i>	
<i>Russ Logan</i>	<i>Blogs Chamber</i>	<i>X</i>	

PLEASE LEAVE PREPARED TESTIMONY WITH SECRETARY. WITNESS STATEMENT FORMS  
ARE AVAILABLE IF YOU CARE TO SUBMIT WRITTEN TESTIMONY.

HOUSE OF REPRESENTATIVES  
VISITOR REGISTER

*Labor & Employment Relations* COMMITTEE

BILL NO. *H.R. 628*

DATE *March 16, 1993* SPONSOR(S) *Mr. Toole*

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NAME AND ADDRESS	REPRESENTING	SUPPORT	OPPOSE
<i>Maguline Denmark</i>	<i>Am. Bus. Assoc.</i>	<i>X</i>	
<i>Mike Miano</i>	<i>MICA</i>	<i>X</i>	

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HOUSE OF REPRESENTATIVES  
VISITOR REGISTER

*Labor & Employment Relations* COMMITTEE BILL NO. *HB 628*  
DATE *March 16, 1993* SPONSOR(S) *Mr. L. Toole*

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NAME AND ADDRESS	REPRESENTING	SUPPORT	OPPOSE
<i>George Wood</i>	<i>Mont. Self-Insurers Assoc</i>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
<i>Justice</i>		<input checked="" type="checkbox"/>	<input type="checkbox"/>
PAUL SMIETANKA	MONTANA PODIATRIC MEDICAL ASSOCIATION	<input checked="" type="checkbox"/>	<input type="checkbox"/>
CARL ERICSON	CARPENTERS UNION	<input checked="" type="checkbox"/>	<input type="checkbox"/>

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