

MINUTES

MONTANA HOUSE OF REPRESENTATIVES 54th LEGISLATURE - REGULAR SESSION

COMMITTEE ON BUSINESS & LABOR

Call to Order: By CHAIRMAN BRUCE T. SIMON, on March 6, 1995, at 10:00 AM.

ROLL CALL

Members Present:

Rep. Bruce T. Simon, Chairman (R)
Rep. Norm Mills, Vice Chairman (Majority) (R)
Rep. Robert J. "Bob" Pavlovich, Vice Chairman (Minority) (D)
Rep. Vicki Cocchiarella (D)
Rep. Charles R. Devaney (R)
Rep. Alvin A. Ellis, Jr. (R)
Rep. David Ewer (D)
Rep. Rose Forbes (R)
Rep. Jack R. Herron (R)
Rep. Bob Keenan (R)
Rep. Don Larson (D)
Rep. Rod Marshall (R)
Rep. Jeanette S. McKee (R)
Rep. Karl Ohs (R)
Rep. Paul Sliter (R)
Rep. Carley Tuss (D)
Rep. Joe Barnett (R)

Members Excused: Rep. Jon Ellingson

Members Absent: None.

Staff Present: Stephen Maly, Legislative Council
Alberta Strachan, Committee Secretary

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

Committee Business Summary:

Hearing: SB 375, SB 384
Executive Action: HB 574

HEARING ON SB 375

Opening Statement by Sponsor:

SEN. STEVE BENEDICT, SD 30, Ravalli County, said this bill was an act generally revising workers' compensation and occupation disease laws; authorizing payment of medical claims without

acceptance of liability; requiring insurers to act promptly on claims; defining "objective medical findings" and requiring injury and disability to be established by objective medical findings; revising the definition of "injury"; defining actual wage loss; revising requirements to receive permanent partial disability benefits; revising provisions regarding termination of benefits upon retirement; revising provisions for lump-sum conversions; allowing suspension of benefits while a claimant is incarcerated for a misdemeanor; revising the definition of disabled worker; exempting payment agreements between a preferred provider organization and an insurer from prescription drug payment limits; revising rehabilitation benefits; authorizing the workers' compensation court judge to stay proceedings in certain circumstances; revising the definition of "wages"; authorizing a reduction of benefits for third-party recoveries; authorizing the termination of temporary total benefits upon notification of a worker's release to return to work; requiring a sole proprietor, partner, corporate officer, or manager or member of a limited liability company or a designee to provide notice of injury within 30 days; authorizing termination of certain benefits for noncooperation with a rehabilitation provider; revising the filing time for occupational disease claims; revising provisions for payment of medical expenses in occupational disease claims and extending temporary partial disability benefits.

Proponents' Testimony:

Nancy Butler, General Counsel, State Fund, explained the sections in the bill.

Laurie Ekenger, Governor's Office, said he supported the bill but there are two major objectives for the system. The system provides good responsive time and service to the people that it is designed to help which are the workers and employers of Montana. The second factor is the rates for Montana should be as competitive as they can possibly be. There have been many successes in the Workers' Compensation system because of the work of management teams and the work of the legislative body. There is now some statistical data to move forward with, and the proposals in the bill which were based upon a close claim study and comparison with other states.

Chuck Hunter, Department of Labor and Industry, said they favored this bill. There are some very good system improvements which bring new insured performance standards to workers' compensation. This bill would enable faster payments to beneficiaries, provide more detail to injured workers and make timely benefit payments when they are ready. The result will be better service. The time of wage loss and return to work is another objective.

Rick Hill, Board of Directors, State Fund, explained the charts which he had displayed on the various percentage factors of workers' compensation benefits.

Terry Menton, Chairman, Coalition for Workers' Compensation System Improvement, said this bill would tighten and bring into qualifications to receive wage loss and rehabilitation benefits. It would provide for those truly deserving.

David Owen, Chamber of Commerce, indicated they supported the bill.

Riley Johnson, National Federation of Independent Businesses, provided written testimony from several proponents of the bill.
EXHIBIT 1

Robert White, Chamber of Commerce of Bozeman, said they supported the bill.

Harlee Thompson, Manager, Intermountain Truss and Treasurer, Workers' Compensation Improvement, said Montana has the highest Workers' Compensation rates and the highest Workers' Compensation benefit structures in the nation and the lowest wages in the nation. **EXHIBIT 2**

Charles Brooks, Chamber of Commerce in Billings, said they had a deep concern for the need of major reform in the Workers' Compensation system. There are, however, some concerns which should be addressed. The establishment and clearly defined benefits of permanent partial disability and adjustments and the restructure of benefits were also discussed. **EXHIBIT 3**

Steve Turkiewicz, Executive Vice President, Montana Automobile Dealers Association, supported this bill.

Kurt Langin, Montana Motor Carriers Association, stated they supported this bill.

Joe Roberts, Rehabilitation Association of Montana, supported the bill.

Jim Kembel, Liberty Northwest Insurance Corporation, supported the bill.

George Wood, Executive Secretary, Montana Self Insurers Association, supported the bill.

Jacqueline Lenmark, American Insurance Association, supported the bill.

Bob Worthington, Program Administrator, MMIA, said they insured towns across Montana and supported the bill.

Opponents' Testimony:

Jerry Driscoll, Montana Building Construction Trades Council, said there are no safety engineers ever sent from the State Fund to make certain a working place is safe. The Safety Culture Act

was drafted last session which has never been implemented. Under the 1987 law, after 18 months of study of 18 private citizens and two legislators decided to have the State Fund introduce their own bill. Under that law it was guaranteed 500 weeks of wage loss if there was one-half of one percent impairment. The 1991 law was a percent of 350 weeks plus trying to get some true rehabilitation. The average now is 103 weeks. The rates in this state were artificially set by politics. Since 1987 politics needed to get out of the rate making.

Jennifer Drueger, President, Montana Academy of Physician Assistants, said they opposed this bill because of the restrictions placed on physician assistants. This bill would restrict the treating of Workers' Compensation patients unless a physician is unavailable. **EXHIBIT 4**

Russell Hill, Executive Director, Montana Trial Lawyers Association, said this bill allows the State Fund to publicly declare its love for Montana's most vulnerable workers while privately abusing and humiliating them with no fear of accountability. **EXHIBIT 5**

Don Judge, Montana AFL-CIO, said this was bad legislation and also stated they were willing to work with anyone on the Workers' Compensation system of Montana. Labor was never involved in drafting this bill. It is not a good bill.

Randy Spear said the current political forces can tolerate more intrusive government. There is no promise of cost savings in this bill's current language. **EXHIBIT 6**

Steve Shapiro, Montana Nurses Association, stated the committee should adopt the amendments which would add in the advanced practice registered nurses in the definition of treating physician. **EXHIBIT 7**

Norm Grossfield, Attorney, Claimants and Insurers, said he was involved in the compromises in 1991 and 1993 and considered some of the efforts are a breach of the understandings which were reached. There are concerns about subrogation.

Informational Testimony:

Ann K. Ingram, Occupational Health Services, EXHIBIT 8; Bill Shaw, M.D., Billings Clinic, EXHIBIT 9; David Johnson, The Billings Clinic, EXHIBIT 10

Technical Testimony:

Stan Kaleczyc, National Council on Compensation Insurance, said they estimate the impact legislation such as this bill would prospectively have, would have a great affect on rates in Montana. This analysis has now been completed and was not done at the time of the hearing in the Senate. If the bill is adopted

as presented there is no change in rates and with this bill in place there would be a 10.3% decrease in rates in the advisory filing.

TAPE 1, SIDE B

Questions From Committee Members and Responses:

REP. VICKI COCCHIARELLA asked what the potential risk is to the state regarding erosion of exclusive remedy. **Mr. Grossfield** said his concerns were that in 1987, groups negotiated agreements in the reductions in benefits. Permanent partial benefits were discussed with a decrease in time and rehabilitation benefits. This bill does just the opposite. Now the rehabilitation industry will come back and individuals can do anything they want and therefore this negates almost in its entirety, a rehabilitation program. It also negates any true permanent partial benefits because of the involvement of the wage loss scheme. It removes the objectivity. The Supreme Court has said that because of the constitution, full subrogation recovery cannot be achieved unless the claimant has been made whole.

REP. PAVLOVICH asked what would have happened if this bill would have been in effect before 1973. **Mr. Hill** said this law proposes at the point at which the claimant is released to return to work, benefits would be terminated instead of a 14-day notice.

REP. LARSON said he was convinced the high rates were the fault of the inflater, the middleman and the lawyers. He then asked for discussion on the physicians assistants' amendments. **Mr. Hill** said they were not opposed to working for the State Fund. The law is where there are not other treating physicians, then they can be a treating physician.

REP. MILLS questioned the lack of safety inspections from the perspective of the agency. **Carl Swanson, President, State Fund**, said there is a high priority on safety over the past year. Much is happening focus-wise in the safety area. The importance of that department has been elevated. There is a strategic business plan in operation which focuses on various aspects of safety. There are approximately 275 employers who benchmark the severity of accidents. He said he disagreed with **Mr. Driscoll's** comments.

REP. MILLS asked how many inspections had been done. **Mr. Swanson** said over the past year 96 safety education workshops, 1,737 customers received safety surveys. There are a significant number of consulting services on job hazards and safety in 2400 policy holder locations. **REP. MILLS** said his question was specific as to how many safety inspections on site have been made in the last two years. **Mr. Swanson** said 2,401.

REP. EWER asked if permanent partial disability benefits were a typical benefit. **Mr. Hill** said yes. **REP. EWER** asked if states predicate those that must be an actual wage loss as a result of the injury for someone to be cut from permanent partial

disability. **Mr. Hill** said the formulas most states pay an impairment payment. Some states have a supplemental disability benefit and some require wage loss be an element. **REP. EWER** asked if the impairment was the only feature of the bill. **Mr. Hill** said if the person does not incur a wage loss, the only thing they would be entitled to is impairment.

REP. COCCHIARELLA asked for **SEN. BENEDICT'S** ideas on cutting benefits and his previous statements in another hearing. **SEN. BENEDICT** said **REP. COCCHIARELLA** would need to retrieve that testimony.

REP. COCCHIARELLA asked if the closed claims study is a reliable and valid study. **REP. BENEDICT** said it was as close as it could be.

REP. COCCHIARELLA asked if he had seen the closed claim study. **SEN. BENEDICT** said yes the committee did go through much work in the select committee in trying to come up with a criteria for objective medical problems. The thing which slowed the committee down was trying to determine which one of the guides to use and how should they go about objective medical findings. They are difficult. If a doctor states there is nothing to support the finding of pain, there is no higher power they can go to in saying what is causing the pain.

REP. COCCHIARELLA said perhaps the State Fund would have picked up the case of **Mr. Wilkens** but there was no diagnostic measure, no way for the physician to determine where the pain was coming from, he would have then been able to collect Workers' Compensation benefits. **SEN. BENEDICT** said that neither **REP. COCCHIARELLA** nor **SEN. BENEDICT** are medical doctors and he does not believe that she can say this bill will take away that person's right to have an objective medical treatment from a doctor. That is conjecture. He still feels remorse for her constituent. Everyone in the room has a constituent like that. They will try as hard as the system will allow to take care of every problem in the world, but there needs to be a point where they need to rely on an objective medical finding from a doctor.

REP. TUSS questioned the tone of the inspections. **Mr. Swanson** said he had not been on any individual inspections. The directions of the safety efforts is to be working as a partner with the customers. There is little accomplished through inspection. The quality of effort needs to be analyzed. Customers need to be educated in those areas and working as partners with them to realize the safety savings that can be realized.

REP. TUSS asked what percentage of the work places are covered by that number. **Mr. Swanson** said there are approximately 25,000 customers.

REP. TUSS asked if there were a duplication of effort between what is happening at the State Fund level and the Department of

Labor and Industry. **Mr. Hunter** said the only duplication which exists is the educational effort.

REP. EWER asked if premiums will be reduced by 8% or 10%. **Mr. Hill** said that is the intention.

Closing by Sponsor:

The sponsor closed.

HEARING ON SB 384

Opening Statement by Sponsor:

SEN. BENEDICT said this bill was important to the employers of Montana as it is designed to refine the ground rules for a competitive marketplace for Plan II insurers which offers workers' compensation coverage in Montana. This bill is a must for the monitoring of the marketplace to make sure rates being charged are not excessive nor unfairly discriminatory. It is a technical revision bill.

Proponents' Testimony:

Jacqueline Lenmark, American Insurance Association, provided written testimony. **EXHIBIT 11**

Nancy Butler, State Fund, said in the bill, the Insurance Commissioners have designated one advisory organization. Plan II insurers must belong to that designated advisory organization. The State Fund is now required to be a member of the NCCI. She then explained the changes in the bill.

Stan Kaleczyc, NCCI, said this bill would provide better information that will benefit the consumers of Workers' compensation insurance and the industry.

Frank Coty, Deputy Insurance Commissioner, said the State Auditor's Office supported the bill. This bill would create a more competitive marketplace in Montana for Workers' Compensation insurance. The insurance department regulates Plan II or private workers' compensation carriers in Montana. They do not regulate the State Fund or self-insurers. This bill would allow private carriers to file and use rates and not have to stay with the rates prescribed by rating organizations. This measure allows for more competition in rates as long as those rates are not excessive, inadequate or unfairly discriminatory. It has been the view of the Commission they should foster competition in the marketplace and provide consumers with more choices.

Opponents' Testimony:

None.

Questions From Committee Members and Responses:

None.

Closing by Sponsor:

The sponsor closed.

EXECUTIVE ACTION ON SB 574

Motion: REP. PAUL SLITER MOVED SB 572 BE CONCURRED IN. REP. LARSON MOVED THE LARSON AMENDMENTS.

Discussion:

REP. LARSON explained the conceptual amendment.

REP. JEANETTE MCKEE said she favored the amendment. The agencies in her area cannot make it on the salary they received.

REP. ELLINGSON said he supported the amendment but opposed the bill. He then reviewed the fiscal note.

REP. OHS said he favored the amendment.

Vote: Motion carried to adopt the Larson amendments 11-7 with REPS. EWER, SLITER, ELLIS, DEVANEY, FORBES, SIMON and MILLS voting no.

Motion: REP. MCKEE MOVED THE MCKEE AMENDMENTS. REP. MCKEE WITHDREW HER AMENDMENTS.

Motion: REP. SLITER MOVED THE BENEDICT AMENDMENTS.

Discussion:

Steven Maly explained the Sponsor's amendments.

Gary Blewett, Liquor Division, Department of Revenue, explained the Sponsor's amendments further.

Vote: Motion carried 17-1 to adopt the Sponsor's amendments with REP. EWER voting no.

Motion: REP. PAVLOVICH MOVED THE #1 PAVLOVICH AMENDMENTS.

Discussion:

REP. PAVLOVICH explained the Pavlovich amendment.

REP. ELLIS said this amendments does not affect the merits of the bill because these amendments are two sections of the law that are not in the bill.

REP. PAVLOVICH said the amendments fell within the scope of the bill.

Vote: Motion carried to adopt the #1 Pavlovich amendment 11-7 with REPS. EWER, HERRON, SLITER, KEENAN, FORBES, SIMON and DEVANEY voting no.

Motion: REP. PAVLOVICH MOVED THE #2 PAVLOVICH AMENDMENTS.

Discussion:

Steven Maly explained the second Pavlovich amendment.

REP. ELLIS said he opposed the amendment.

REP. LARSON said he favored the amendment.


Vote: Motion failed to adopt the #2 Pavlovich amendment 9-8 with REPS. MILLS, PAVLOVICH, BARNETT, COCCHIARELLA ELLINGSON, KEENAN, LARSON, MCKEE and TUSS voting yes.

Motion/Vote: REP. SLITER MOVED SB 574 BE CONCURRED IN AS AMENDED. A roll call vote was taken which failed 8-10 with REPS. SIMON, DEVANEY, FORBES, HERRON, MCKEE, OHS and SLITER voting yes.

Motion/Vote: REP. DEVANEY MOVED TO TABLE SB 354. Motion carried 16-2 with REPS. SLITER and SIMON voting no.

ADJOURNMENT

Adjournment: 12:00 P.M.



BRUCE T. SIMON, Chairman



ALBERTA STRACHAN, Secretary

BTS/ajs

HOUSE OF REPRESENTATIVES

Business and Labor

ROLL CALL

DATE 2-6-95

NAME	PRESENT	ABSENT	EXCUSED
Rep. Bruce Simon, Chairman	X		
Rep. Norm Mills, Vice Chairman, Majority	X		
Rep. Bob Pavlovich, Vice Chairman, Minority	X		
Rep. Joe Barnett	X		
Rep. Vicki Cocchiarella	X		
Rep. Charles Devaney	X		
Rep. Jon Ellingson			X
Rep. Alvin Ellis, Jr.	X		
Rep. David Ewer	X		
Rep. Rose Forbes	X		
Rep. Jack Herron	X		
Rep. Bob Keenan	X		
Rep. Don Larson	X		
Rep. Rod Marshall	X		
Rep. Jeanette McKee	X		
Rep. Karl Ohs	X		
Rep. Paul Sliter	X		
Rep. Carley Tuss	X		



HOUSE STANDING COMMITTEE REPORT

March 7, 1995

Page 1 of 4

Mr. Speaker: We, the committee on **Business and Labor** report that **House Bill 574** (first reading copy -- white) do pass as amended.

Signed: _____

Bruce Simon, Chair

And, that such amendments read:

1. Title, line 20.

Following: "AGREE;"

Insert: "PROVIDING TIME LIMITS RELATING TO GRANTING OR DENYING A
LICENSE;"

2. Title, line 23.

Following: "16-4-105,"

Insert: "16-4-207,"

Following: "16-4-401,"

Insert: "16-4-405,"

3. Page 5, line 16.

Following: "must"

Insert: ", in the calculation of the commission rates,"

4. Page 6, lines 12 and 13.

Following: second "store" on line 12

Insert: "established after [the effective date of this act]"

5. Page 6, line 14.

Following: "store"

Insert: "established after [the effective date of this act]"

Committee Vote:

Yes 12, No 6.

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6. Page 16, line 13.

Following: "(4)"

Strike: "Agency"

Insert: "The department shall negotiate commissions with agency stores, and agency"

7. Page 16, line 14.

Strike: "10% commission"

Insert: "commission of 10% or more, but not to exceed 15%,"

8. Page 28, line 3.

Insert: "Section 36. Section 16-4-207, MCA, is amended to read:

"16-4-207. Notice of application -- investigation -- publication -- protest. (1) When an application has been filed with the department for a license to sell alcoholic beverages at retail or to transfer a retail license, the department shall review the application for completeness and to determine whether the applicant or the premises to be licensed meets criteria provided by law. The department shall request that the department of justice investigate the application as provided in 16-4-402. If after the investigation the department does not discover a basis to deny the application, the department shall promptly publish in a newspaper of general circulation in the city, town, or county from which the application comes a notice that the applicant has made application for a retail license and that protests against the issuance of a license to the applicant by a person who has extended credit to the transferor or residents of the county from which the application comes or adjoining Montana counties may be mailed to a named administrator in the department of revenue within 10 days after the final notice is published. Notice of application for a new license must be published once a week for 4 consecutive weeks. Notice of application for transfer of a license must be published once a week for 2 consecutive weeks. Notice may be substantially in the following form:

NOTICE OF APPLICATION FOR RETAIL ALL-BEVERAGES LICENSE

Notice is given that on the day of, 19..., one (name of applicant) filed an application for a retail all-beverages license with the Montana department of revenue, to be used at (describe location of premises where beverages are to be sold). A person who has extended credit to the transferor and residents of counties may protest against the issuance of the license. Protests may be mailed to, department of revenue, Helena, Montana, on or before the day of, 19....

Dated

Signed
ADMINISTRATOR

(2) Each applicant shall, at the time of filing an application, pay to the department an amount sufficient to cover the costs of publishing the notice.

(3) If the administrator receives no written protests, the department may issue or transfer the license without holding a public hearing. If the issuance or transfer of a license is made without holding a public hearing, the issuance or transfer must be completed within 40 days of the last date of publication under subsection (1). If written protests by a person who has extended credit to the transferor or residents of the county from which the application comes or adjoining Montana counties against the issuance or transfer of the license are received, the department shall hold a public hearing. Unless a later date is set by agreement between the applicant and the department, the public hearing must be held within 30 days of the last date of publication under subsection (1)."

Renumber: subsequent sections

9. Page 31, line 5.

Insert: "Section 38. Section 16-4-405, MCA, is amended to read:

"16-4-405. Denial of license -- timeliness. (1) The department may deny the issuance of a retail alcoholic beverages license if it determines that the premises proposed for licensing are off regular police beats and cannot be properly policed by local authorities.

(2) A retail license may not be issued by the department for a premises situated within a zone of a city or town where the sale of alcoholic beverages is prohibited by ordinance, a certified copy of which has been filed with the department.

(3) A license under this code may not be issued if the department finds from the evidence at the hearing held pursuant to 16-4-207(3) that:

(a) the welfare of the people residing in the vicinity of the premises for which the license is desired will be adversely and seriously affected;

(b) there is not a public convenience and necessity justification;

(c) the applicant or the premises proposed for licensing fail to meet the eligibility or suitability criteria established by this code; or

(d) the purposes of this code will not be carried out by the issuance of the license.

(4) The hearings examiner shall issue a proposed decision to grant or deny a license within 60 days after holding a public hearing under 16-4-207. Within 45 days of the expiration of the time period for written exceptions or, if there are oral arguments, within 45 days after oral arguments are held before

the department, the department shall either grant or deny a
license application."

10. Page 33, line 22.
Following: "[Section"
Strike: "24"
Insert: "26"

-END-

HOUSE OF REPRESENTATIVES

BUSINESS AND LABOR COMMITTEE

ROLL CALL VOTE

DATE 3-6-95 BILL NO. HB574 NUMBER

MOTION: Do pass as amend

NAME	AYE	NO
Rep. Bruce Simon, Chairman	✓	
Rep. Norm Mills, Vice Chair, Maj.		✓
Rep. Bob Pavlovich, Vice Chair, Min.		✓
Rep. Joe Barnett	✓	✓
Rep. Vicki Cocchiarella		✓
Rep. Charles Devaney	✓	
Rep. Jon Ellingson		✓
Rep. Alvin Ellis, Jr.	✓	
Rep. David Ewer		✓
Rep. Rose Forbes	✓	
Rep. Jack Herron	✓	
Rep. Bob Keenan		✓
Rep. Don Larson		✓
Rep. Rod Marshall		✓
Rep. Jeanette McKee	✓	
Rep. Karl Ohs	✓	
Rep. Paul Sliter	✓	
Rep. Carley Tuss		✓

HOLLY SUGAR CORPORATION
P.O. BOX 1168
SIDNEY, MT 59270

EXHIBIT 1
DATE 3-6-95
HB SB375

DATE: MARCH 3, 1995
TIME:

FACSIMILE COVER LETTER

~~PLEASE DIVERT THE FOLLOWING PAGES TO:~~

NAME: HOUSE BUSINESS AND LABOR COMMITTEE
COMPANY:

FROM: RICHARD S. PARRILL--HOLLY SUGAR CORPORATION
SIDNEY, MONTANA

A TOTAL OF ONE PAGES (INCLUDING THIS COVER SHEET) ARE
BEING TRANSMITTED. IF YOU DO NOT RECEIVE ALL PAGES, PLEASE
CALL (406) 482-3303. FOR FUTURE REFERENCE, OUR TELECOPY PHONE
NUMBER IS (406) 482-5892.

MESSAGE:

HOLLY SUGAR SUPPORTS YOUR ACTION TO APPROVE SB375. WORKMEN'S
COMPENSATION COSTS NEED TO BE REDUCED AND THIS BILL ADDRESSES
ONE OF THOSE COSTS THAT CAN BE ELIMINATED.

THANK YOU FOR YOUR EFFORTS.

RICHARD S. PARRILL



HOLLY SUGAR CORPORATION
A SUBSIDIARY OF IMPERIAL HOLLY CORPORATION

The original of this document is stored at
the Historical Society at 225 North Roberts
Street, Helena, MT 59620-1201. The phone
number is 444-2694.



EXHIBIT 2
DATE 3-6-95
~~HB~~ SB 375

Truss Division
406/449-5553

SB 375
REVISE WORKERS' COMPENSATION AND OCCUPATIONAL
DISEASE LAWS

Recommend
Do Pass

Mr. Chairman members of the committee:

I am Harlee Thompson manager of Intermountain Truss located here in Helena. I am also Treasurer of the Coalition for Work Comp System Improvement (CWCSI). I serve on the State and local board of directors for the Montana Building Industry Association (MBIA).

Because I am an employee and have a small interest in a corporation I am on both sides of the fence when it comes to workers compensation. I am both an employer and an employee.

Montana has among the highest Workers Comp rates in the nation. Montana has among the highest Workers Comp benefit structures in the nation. Montana has among the lowest wages in the nation.

When I see the effect the premiums paid for workers comp has on the ability to pay a decent wage I get very discouraged. When I see a young family trying to make a living on the wages that are afforded by some of the smaller companies I get discouraged.

SB 375 will cut some benefits. SB 375 will cut premiums.

We need to remember that the majority of workers that these high premiums go to protect are not the minority that receive these high benefits. The majority of our work force does not get injured on the job.

As a result of more safety awareness in the work place the number of injuries will go down.

If reducing benefits will reduce premiums and make a higher salary available to the majority of workers and it will create a better business climate that will encourage new business and expansion of current businesses then that is what needs to be done. SB 375 will do this!

The CWCSI and the MBIA and I encourage you to pass SB 375.

Thank You.

EXHIBIT 3
DATE 3-6-95
~~HB~~ SB 375

TESTIMONY
HOUSE BUSINESS & LABOR COMMITTEE
MARCH 6, 1995
SB 375

Mr. Chairman and members of the committee for the record I am Charles Brooks from Billings, representing the Billings Area Chamber of Commerce. The Chamber has over the years had a deep concern for the need of major reform in our workers comp system. We applaud the progress made todate by the current management. SB 375 in our judgement continues to address some of our concerns. The Chamber before the session began, drafted a position paper stating some concerns that need to be address.

1. Establish and clearly define the benefits of permanent partial disability.
2. As one of the high benefit states, we certainly need to have adjustments to and restructure benefits.
3. We feel that SB 375 addresses these concerns. WE ask your favorable consideration of SB 375 with a do pass.

Thank you for this opportunity to appear before you.

TESTIMONY REGARDING SB 375

March 6, 1995

My name is Jennifer Krueger - I'm the current president of the Montana Academy of Physician Assistants (MAPA). I'm here to speak in opposition of SB 375 due to the restrictions placed on physician assistants. The current wording restricts physician assistants from treating worker's compensation patients unless a physician is unavailable. MAPA is very concerned about this restriction for the following reasons:

- PA's are fully licensed and legally permitted to treat worker's compensation patients. The American Academy of Physician Assistants (AAPA), includes the American Academy of Occupational Health PAs. This is a nationally recognized group of PAs who specialize in, among other areas, worker's compensation patients.
- There is no medical or legal basis for this exclusion. In fact, several Occupational Health Departments at Montana health care institutions recruit and employ PAs to treat worker's compensation patients.
- The exclusion of PAs will create a hardship for clinics and hospitals. To restrict PA's from treating worker's comp patients will add a financial burden to the institution, as well as a time burden to the individual physician.
- The exclusion of PAs will create a hardship for patients. Timely access to care is critical for these individuals. To restrict PAs from treating them will adversely affect the ability of the patient to obtain quality care quickly.
- The current wording is in direct conflict with national and state trends regarding medical care. Physician assistants have proven to be an invaluable asset, providing a cost-effective answer to health care shortage problems. In addition, PAs enable institutions to staff more efficiently and more cost-effectively.

Along with other members of Montana's medical community, the directors of the Occupational Health Departments at both St. Patrick's Hospital in Missoula and Billings Clinic have expressed their strong support of MAPA's viewpoint. I urge you to change the wording of SB 375 and allow physician assistants to continue providing quality care to Montana residents and a cost-effective solution for Montana. Thank you for your time.

Montana Trial Lawyers ASSOCIATION

Gregory S. Munro
President
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John M. Morrison
Secretary-Treasurer
William A. Rossbach
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Paul M. Warren
Governor

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March 6, 1995

Rep. Bruce Simon, Chair
House Business Committee
Room 104, State Capitol
Helena, MT 59620

RE: SB 375

Mr. Chair, Members of the Committee:

Thank you for this opportunity to express MTLA's strongest opposition to SB 375, which would dramatically reduce workers compensation benefits for injured Montanans.

Perversely, SB 375 allows the powerful State Fund to publicly declare its love for Montana's most vulnerable workers while privately abusing and humiliating them with no fear of accountability. For example:

- The bill forces injured workers to surrender important disability benefits unless they can demonstrate wage loss--yet even when they suffer severe disabilities and lose their time-of-injury job, *no minimum-wage employee can demonstrate wage loss if they are capable of returning to any hypothetical job at all.*
- The bill exploits seasonal workers by allowing insurance companies to manipulate periods of forced idleness when calculating average weekly wages.
- The bill brutalizes Montana's oldest workers by robbing them of their workers compensation benefits whenever they need hard-earned pension benefits to survive.

In a workers compensation system more attentive to the State Fund than to legal rot, SB 375 will produce injustices so blatant, so intolerable, that they will also prove unconstitutional. When the first minimum-wage worker suffers a disabling injury and forced unemployment due to the gross negligence of her employer, yet qualifies for no workers compensation benefits other than her paltry impairment award, SB 375 will cost that employer its exclusive-remedy protection.

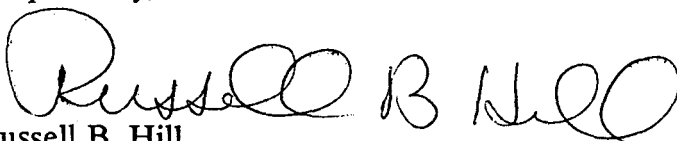
Moreover, SB 375 will encourage Montana citizens, before Montana courts, to correct one of the biggest, most wasteful, and most unpopular government failures in this state: compulsory workers compensation dominated by the State Fund. Regardless of other factors, a petition to amend Montana's constitution regarding workers compensation could:

- Benefit from years of negative publicity and continuing voter anger;
- Save Montana employers *\$250 million each year* in mandatory workers compensation premiums, or *\$625 per employee per year*;
- Compared to SB 375, increase employer incentives nearly *1,000 percent each year* to create new jobs and raise wages;
- Appeal to the vast majority of Montana employees, who never qualify for a penny of workers compensation benefits and resent paying for those who do;
- Protect Montana consumers who already pay for better insurance than workers compensation policies provide--and who could otherwise collect much more generous benefits under their own policies for work-related injuries;
- Permit Montana employers and employees, together or individually, to insure against workplace injuries with more favorable and efficient types of insurance, including no-fault health, life, disability, and income-security coverage;
- Preserve workers compensation insurance for those employers and employees who freely choose it;
- Relieve the state--and the State Fund as insurer of last resort--from the costly burden of guaranteeing insurance for employers currently required by law to maintain workers compensation coverage;
- Reduce workplace injuries by making more employers fully accountable for their carelessness;
- Focus intense public attention on the chief winners and losers under Montana's current workers compensation system; and
- Force the defenders of compulsory workers compensation to mount a massive public-relations campaign against such a constitutional amendment.

In short, MTLA believes that SB 375 will convince many Montanans already fed up with their state's workers compensation system that they have little to lose and much to gain from such a petition--regardless of the final vote on a constitutional amendment.

Thank you again for this opportunity to express MTLA's opposition to SB 375. If I can provide additional information or assistance to the Committee, please allow me to do so.

Respectfully,

A handwritten signature in cursive script, appearing to read "Russell B. Hill".

Russell B. Hill
Executive Director

**PETITION TO PLACE CONSTITUTIONAL AMENDMENT NO. _____
ON THE ELECTION BALLOT**

If 10% of the voters in each of 40 legislative districts sign this petition and the total number of voters signing this petition is _____, this constitutional amendment will appear on the next general election ballot. If a majority of voters vote for this amendment at that election, it will become part of the constitution.

We, the undersigned Montana voters, propose that the secretary of state place the following constitutional amendment on the _____, 19____, general election ballot:

**AMENDING ARTICLE II, SECTION 16 OF THE MONTANA CONSTITUTION
TO ALLOW EMPLOYERS AND EMPLOYEES TO REJECT WORKERS COMPENSATION COVERAGE**

Article II, Section 16, of the Montana Constitution is amended to read:

"Section 16. The administration of justice. Courts of justice shall be open to every person, and speedy remedy afforded for every injury of person, property, or character. No person shall be deprived of this full legal redress for injury incurred in employment for which another person may be liable except as to fellow employees and his immediate employer who hired him if such immediate employer provides coverage under the Workmen's Compensation Laws of this state. No person shall be compelled to provide or accept coverage under the Workmen's Compensation Laws of this state. Right and justice shall be administered without sale, denial, or delay."

Voters are urged to read the complete text of the measure, which appears above on this sheet. A signature on this petition is only to put the constitutional amendment on the ballot and does not necessarily mean the signer agrees with the amendment.

WARNING

A person who purposefully signs a name other than his/her own to this petition or who signs more than once for the same issue at one election or signs when not a legally registered Montana voter is subject to a \$500 fine, 6 months in jail, or both.

Each person must sign his/her name and address in substantially the same manner as on his/her voter registry card or the signature will not be counted.

<u>Complete Signature</u>	<u>Printed Last Name</u>	<u>Post Office Address</u>	<u>Legis. District</u>
1. _____	_____	_____	_____
2. _____	_____	_____	_____
3. _____	_____	_____	_____
4. _____	_____	_____	_____
5. _____	_____	_____	_____
6. _____	_____	_____	_____
7. _____	_____	_____	_____
8. _____	_____	_____	_____
9. _____	_____	_____	_____
10. _____	_____	_____	_____

I, _____, affirm or first being sworn, depose and say: That I circulated or assisted in circulating this petition to which this affidavit is attached and I believe the signatures thereon are genuine, are the signatures of the persons whose names they purport to be, are the signatures of Montana electors who are registered at the address following their signature, and that the signers knew the content of the petition before signing the same.

(SEAL)

Signature of Petition Circulator

Address of Petition Circulator (Street/P.O. Box, City, State, Zip Code)

Subscribed and sworn to me this _____ day of _____, 19____.

Person Authorized to Take Oaths

Title or Notarial Information

COUNTY: _____

MAILING INSTRUCTIONS TO PETITION CIRCULATORS: Mail the completed petition sheets to FREE (Fed-up with Restrictions on Employers and Employees), P.O. Box 666, Helena MT 59624.

SENATE BILL NO. 375
3/6/94

MR. CHAIRMAN AND COMMITTEE MEMBERS:

MY NAME IS RANDY SPEAR. I AM A PHYSICIAN ASSISTANT (PA). SINCE GRADUATION FROM PA TRAINING IN 1979, I HAVE PROVIDED HEALTH CARE IN RURAL COMMUNITIES, FIRST IN IOWA AND IN MONTANA FROM 1987-1993. CURRENTLY I PROVIDE MEDICAL CARE AT THE BILLINGS CLINIC.

IN ADDITION TO MY ORAL TESTIMONY, I WISH TO SUBMIT TWO LETTERS OF CONCERN IN REGARD TO THIS BILL'S TREATMENT OF PHYSICIAN ASSISTANTS (PAs). THESE LETTERS, AS WELL AS MY TESTIMONY, SUPPORT THIS BILL AND ITS ONGOING ATTEMPT TO COST-EFFECTIVELY PROVIDE FOR HEALTH CARE NEEDS OF INJURED WORKERS. HOWEVER, WE BELIEVE AN ADDITION AMENDMENT IS NEEDED.

SECTION 39-71-116(31)(C) CURRENTLY READS: "A PHYSICIAN ASSISTANT-CERTIFIED LICENSED BY THE STATE OF MONTANA UNDER TITLE 37, CHAPTER 20, IF THERE IS NOT A PHYSICIAN, AS DEFINED IN SUBSECTION (31)(A), IN THE AREA WHERE THE PHYSICIAN ASSISTANT-CERTIFIED IS LOCATED.

I WOULD ASK THE COMMITTEE TO STRIKE ALL WORDING AFTER "TITLE 37, CHAPTER 20".

RATIONALE FOR THIS REQUEST INCLUDE:

1. The definition of "area" is nowhere defined. It is ambiguous and imprecise. Is "area" to mean a room, hallway, building, city, county, state? Dictionaries offer no geographic solution.

2. If PAs in rural, isolated areas are qualified to be considered a "treating physician", then by what reasoning are those (PAs) located in "areas" in which physicians are present being judged as unqualified to be considered a "treating physician".

3. This bill would create a dual standard among PAs with no medical or legal reasoning. The possibility of legal action on the basis of restraint of trade or class action suite seems to me to be enhanced by sustaining this language. An unnecessary risk without good rationale, I would think.

4. Some of the most experienced PAs in this state in terms of occupational medicine and Workers' Comp are currently working at the Billings Clinic with daily interaction with supervising physicians. The current language is limiting the utilization of these individuals, while allowing others with less experience and minimal

onsite supervision to function as a "treating physician". Does this seem logical?

5. Other third party carriers are looking to the language of this law to justify or question their need to cover health care services provided by PAs. Surely this must have been an unintended result of the current language?

6. National trends all provide for greater utilization of PAs. Why would restricting this groups ability to provide high quality, cost-effective health care be in the best interest of Montanans?

7. MCA 33-22-111 (copy enclosed) provides for freedom of choice of practitioners. This law specifically includes Workers' Compensation Act as an entity that must allow the insured to seek care from a PA if desired.

8. MCA 33-22-114 (copy enclosed) was specifically written to disallow any health insurance carriers selling policies within Montana to avoid paying for medical services provided by a PA if that carrier would provide payment to a physician for the same service. Is the State Fund exempt from this same law? If so, by what justification?

IN CLOSING, IT IS BEYOND ME HOW THE CURRENT POLITICAL FORCES CAN TOLERATE MORE INTRUSIVE GOVERNMENT. THERE IS NO PROMISE OF COST SAVINGS IN THIS BILL'S CURRENT LANGUAGE IN REGARD TO THIS MATTER. I WOULD CONTEND QUITE THE OPPOSITE IS TRUE.

THANK YOU MR. CHAIRMAN FOR AN OPPORTUNITY TO SPEAK ON THIS ISSUE.

March 6, 1995

EXHIBIT 7
DATE 3-6-95
HB SB 375

Steven J. Shapiro
Montana Nurses Association

Testimony on Senate Bill 375
regarding the Workers Compensation Act

I am Steven Shapiro representing the Montana Nurses Association. MNA is composed of 1,400 registered professional nurses working in all phases of health care across the State of Montana.

Senate Bill 347 was passed in the 53rd Legislature amending various health care provisions in the Workers' Compensation Act. Section 39-71-116, MCA, was amended with a definition of "treating physician" to include a medical doctor, chiropractor, physician assistant, osteopath or dentist. Since the bill was enacted, it has been noted that advanced practice registered nurses were apparently inadvertently omitted from this definition.

Advanced practice registered nurses provide primary health care in a variety of settings in Montana and the United States. Many of them are authorized by the State Board of Nursing as independent health care practitioners, some including the authority to prescribe medications. However, they have been denied reimbursement by workers' compensation insurers because of the oversight in Senate Bill 347 (1993).

We ask the committee to adopt the attached amendment to Senate Bill 375 which would add in advanced practice registered nurses in the definition of "treating physician" in Section 39-71-116, MCA.

March 6, 1995

Steven J. Shapiro
Montana Nurses Association

Amendment offered to Senate Bill 375

Section 5. [amending 39-71-116, MCA]

Subsection (31)

Subsection (d); following "Title 37, chapter 5;" *strike* "or"

Subsection (e), following "Title 37, chapter 4."

insert " ; or

"(f) an advanced practice registered nurse licensed by the state of
Montana under Title 37, chapter 8."

-END-

OHS Occupational Health Service

A Division Of Claims Management Services

EXHIBIT 8

DATE 3-6-95

SB375

February 27, 1995

Mr. Steven Shapiro, Attorney-at-Law
Box 169
Clancy, Montana 59634

Dear Mr. Shapiro:

Thank you for taking such an active interest in Advanced Practice Nurses in the State of Montana. I am writing to you in regard to our telephone conversation of February 27, 1995 during which you asked me if I could give you examples of the Worker's Compensation injuries that I see. Before I list specific examples, I thought I would give you a little background information.

I am an Advanced Practice Nurse who is masters prepared, certified nationally as a Nurse Practitioner, been in practice for twelve years, eight of those dealing primarily with Worker's Compensation patients in an occupational health setting. Currently, I am employed by Applied Health Services, which is the for-profit arm of Northwest Healthcare (including Kalispell Regional Hospital) and work in the Occupational Health Service located in the hospital. I see corporation employees for both work related and non-work related health problems at no charge to the individual employee and independent of a physician.

Examples of work related injuries that I see are back injuries; lacerations; fractures; shoulder, ankle, and wrist strains; cumulative trauma, such as carpal tunnel syndrome, sick-building syndrome, exposure to HIV/AIDS, falls, etc. As a Nurse Practitioner, I take a health history from the patient to find out how and when the injury occurred, perform a physical examination, and determine if additional studies are needed to make a diagnosis, such as blood work to rule out arthritis or x-rays to rule out a fracture. Based on the results, I determine a treatment plan. This would include, but is not limited to, health education and counseling, writing prescriptions for medications, prescriptions for physical, occupational, or chiropractic therapy, and referrals to specialists (usually orthopedists if there is a fracture or surgery is indicated). This is all within the scope of practice of a Nurse Practitioner and done without consulting a physician.

In addition, I determine if the employees can return to work and if so, in what capacity. Perhaps modifications in the employee's job, such as a lifting restriction, needs to be made to keep the

310 Sunnyview Lane - Kalispell, MT 59901


received
3-3-95

employee safely at work and to allow them to recover from their injury. This prevents the employee from missing time from work and collecting Worker's Compensation benefits. It also shows the employee, by keeping him at work even though he is not at 100%, that he is still valuable to the corporation and not easily replaced. I follow the employee on a weekly basis in my office, sometimes more frequently, adjusting medications, treatment plans, and work restrictions depending on the employee's progress and independent of a physician. I communicate often with their supervisor and other health care providers, such as therapists, to facilitate the employee's return to pre-injury status.

In summary, Nurse Practitioners currently are providing cost effective care for the Worker's Compensation population that requires intensive management, not only of medical issues but socioeconomic and psychological concerns that affect their injuries and can prolong their entry back into the work force. Nurse Practitioners work well in interacting with other medical providers to coordinate optimum care and services for injured workers. To not include Nurse Practitioners as providers, yet to include Chiropractors and Physician's Assistants, most of whom have less training than Nurse Practitioners, does a great injustice to the public and to the taxpayer.

If I can be of any further assistance in helping you to understand the role of the Advanced Practice Nurse and specifically how this role relates to Worker's Compensation, please do not hesitate to contact me.

Sincerely,



Ann K. Ingram, R.N., M.S.N., C.A.N.P.
Occupational Health Service
Applied Health Services
Telephone: (406) 752-5111, Ext. 2036
Fax: (406) 756-4717

AKI/je

Comments before the Senate Labor Subcommittee
SB 375
2/26/95

Mr. Chairman and Committee Members:

My name is Bill Shaw. I am a physician at the Billings Clinic. As a specialist in Occupational Medicine I have spent the past decade at the Clinic caring almost exclusively for patients covered by worker's compensation. I couldn't help but notice as Sen. Benedict listed participants in formulation of this Bill that medical providers were not mentioned.

I have some specific concerns with certain portions of the bill and would like to offer some suggestions.

On page 8, lines 1-2, Physician Assistants are authorized as treating physician only when an MD is not available. The effect on my office is that 2 PA-Cs with over 30 years combined experience and special expertise in Occupational Medicine and Worker's Comp cannot act as treating physicians while a less experienced and minimally supervised provider in a remote site of Montana can. This creates 2 classes of providers which seems difficult to justify and is certainly unfair. It further flies in the face of national trends which encourages the utilization of midlevel providers as a cost effective way of providing care.

I recommend that Section 39-71-116 (31)(c) be amended to read: "a physician assistant-certified licensed by the state of Montana under Title 37, chapter 20," deleting the clause on page 8, lines 1-2.

On page 7, Lines 2-4 regarding Secondary Services, this is defined as treatment directed at disability - not impairment. Unfortunately, impairment is not defined. Using standard definitions, if strictly followed an amputee receiving a prosthesis would fall under secondary care since it is directed toward disability and not impairment and would therefore be provided on a discretionary basis.

I would recommend that the definition for impairment that is set forth in the AMA Guide to the Evaluation of Permanent Impairment be included in this bill.

On page 11, Line 9-11, liability is not present for medical care after MMI has been reached and the condition recurs in a non occupational setting. This will mean that the patient is not covered since 3rd party coverage will exclude it as a preexisting condition. For example, if a patient with a work related herniated

disc who undergoes surgery and reaches MMI, a recurrent disc which occurs a year later at home will not be covered. Clearly, that person is out of luck.

On page 16, lines 1-8, there are definitions of functional capacity. These definitions which address lifting capacity only are for too narrow. While they may be applicable to back injuries, it has little relevance to injuries to other body systems.

I would recommend expanding these definition to a broader one such as the Department of Labor - Dictionary of Occupational Titles. I would be glad to provide details and documentation for this.

On page 16, line 30, Impairment is established by objective medical findings. This definition supersedes the direction set forth in the AMA Guide which is required for use and is therefore redundant.

I would recommend that paragraph (b) of this section be used alone which will suffice for physicians in this arena.

Finally, I would make a comment on one of the thrusts of this bill having to do with Objective Medical Findings. This is found in the definition on page 5, lines 1-2. While I understand and applaud the intent of these provisions, as a physician, I can attest that I regularly see patients with real problems in whom I have great difficulty confirming "objective findings" as defined here. I'm afraid that this definition will force me and my colleagues to play a word game in order to provide care for our patients.

Thank You.

William S. Shaw, M.D.
Director, Occupational Medical Services
Billings Clinic
Billings, MT
406-238-2710



BILLINGS CLINIC

EXHIBIT 10
DATE 3-6-95
~~HB~~ SB 375

S.B. 375

3/3/95

MR. CHAIRMAN AND COMMITTEE MEMBERS

I respectfully request the submission of this letter into your hearings on revising the worker compensation laws of the state of Montana on pages 7 and 8 of the 3rd reading of this Bill, line 30 page 7; lines 1 & 2 page 8. I request you delete the following "if there is not a physician, as defined in subsection (3)(a), in the area where the physician assistant - certified is located. By including this sentence in the Bill I believe it has the potential to negatively affect my legal capabilities to offer care to many of the patients I see in the Department of Occupational Medicine at Billings Clinic where I've been employed for the past ten years. I am a cost conscious, ethical, health care professional who sincerely works on behalf of the patients I see, but I also keep in mind the significant impact my decisions can have on employers and insurance providers as well. Most of the patients I see recover fully in a very short period of time and return to full, unrestricted work with no need for impairment ratings or permanent partial disabilities. Please allow me to continue offering this care to patients at Billings Clinic.

I HAVE TWENTY NINE YEARS OF EXPERIENCE IN THE
HEALTH CARE FIELD, THE PAST FOURTEEN SPECIFICALLY IN
OCCUPATIONAL MEDICINE AND ANOTHER TEN IN TWO BUSY
CALIFORNIA EMERGENCY ROOMS. I'VE DONE OCCUPATIONAL
MEDICINE WITH ATLANTIC RICHFIELD OIL COMPANY AND ALSO
WITH GENERAL MOTORS. I'M A VETERAN WITH EXPERIENCE
AS A MEDICAL CORPSMAN IN VIETNAM. FOR ANY OF YOU
WHO CARE I VOTE ON THE REPUBLICAN SIDE OF THE
TICKET. BELIEVE ME I'M CONSCIOUS AS YOU ARE
PLEASE ALLOW PHYSICIAN ASSISTANTS LIKE ME TO PRACTICE
GOOD MEDICINE WITH THE DIRECT SUPERVISION OF EXCELLENT
PRACTICE MODELS, OUR SUPERVISORS,

PLEASE CONSIDER DELETING THE 2ND HALF OF THE
LEGISLATION WHICH NEGATIVELY IMPACTS P.A.'S

Thank you,
most respectfully,

David L. Johnson PA-C

David Johnson, PA/C - William S. Shaw, M.D.
Occupational Medicine / Work Care
The Billings Clinic
P. O. Box 35100
Billings, Montana 59107-5100
406-238-2710

MONTANA COMPETITIVE RATING
FOR WORKERS' COMPENSATION COVERAGE
SENATE BILL 384
TESTIMONY OF JACQUELINE T. LENMARK FOR
THE AMERICAN INSURANCE ASSOCIATION

Mr. Chairman and members of the committee:

My name is Jacqueline Lenmark. I am a lawyer from Helena and a lobbyist for the American Insurance Association. The American Insurance Association is a national trade association that promotes the economic, legislative, and public standing of its some 250-member property-casualty insurance companies, before federal and state legislatures on matters of industry concern.

AIA thanks Senator Benedict for bringing SB 384. It will represent a major step forward in inducing competition amongst private workers' compensation insurers and thus encourage economies and lower costs in Montana's workers' compensation market.

The Current System:

Montana workers' compensation rates for the private companies (Plan 2 carriers) are currently set by the Classification and Rating Committee. The C & R Committee is a statutory committee (MCA Section 33-16-1011) made up of two insurance company representatives, an employer, an insurance agent and a representative of the State Fund. Proposed rates are filed with the C & R Committee by the National Council on Compensation Insurance [NCCI]. Insurers are required to submit loss and expense data to NCCI. The data are actuarially evaluated to predict costs over the following year. Aggregation of industry-wide loss and expense data affords greater accuracy and promotes competition.

A rate request consists of many elements: the estimate of losses expected over the ensuing year (known as loss costs or pure premium, adjusted for trend and loss development), loss adjustment expenses (the cost incurred by claims management), operating costs, taxes, assessments, license fees, other fees, and average insurance company profit.

Once approved by the C&R Committee, the rates are filed with the Insurance Commissioner. Insurance companies are required to use the filed rates, although they are permitted to deviate slightly from the filed rate based on individual company experience.

The result is that Montana policyholders do not get the full benefit of a competitive market for prices when they look to purchase workers' compensation insurance.

Years ago, when the law was first passed, the database to provide rating information was not as sophisticated and advanced as it is now. The law was appropriate for its time. It no longer is. In recent years, some states have modernized insurance commissioner oversight of workers' compensation ratemaking. There is a trend among the states to rely more on individual insurers to develop their own expenses. The terms "open competition," "competitive rating," or "loss cost rating" often are used to describe these approaches.

What Will Happen to Montana Rates when Competition is Required?

Currently, like all other states 15 years ago, Plan 2 insurers are prohibited from using rates different than those approved for use in Montana. Senate Bill 384 removes the requirement that competitors on the C&R Committee set rates and require all other insurers to adhere to them to do business in the state. Each company will be required to create its own final rates to be used, based on their own expenses, profit margins, fees, overhead, etc. NCCI [or the designated organization] will continue to file information, but it will be limited to the actual costs of paying claims in the state.

The Insurance Commissioner must determine if there is a competitive market in the state, and monitor the market to insure that rates are not excessive, inadequate, nor unfairly discriminatory. The bill provides guidelines for the Insurance Commissioner to make that determination. The Commissioner has the authority to stop a company from using improper rates, and return premium if it does.

States with competitive rating laws, like Senate Bill 384, have generally seen lower rates in those states where the previous rates had been adequate because of the required competition. Rates have gone up in those states where insurers needed to increase prices to cover their costs. But rather than averaging out rates to take into account efficient and inefficient insurance company costs, prices in states with laws like Senate Bill 384 more accurately reflect individual insurance company costs.

Policyholders will have the benefit of shopping around and getting the best rate available for their business, something they cannot do now. The money businesses may save on rates can be used for business expansion, creating more jobs, higher salaries, better benefits or lower prices.

The designated workers' compensation advisory organization, under the bill, would collect information only dealing with the actual costs of paying claims in the state. Each individual insurance company would have to review their own profit factors, expenses, overhead costs, fees, etc. and arrive at their own final rates. 34 states, including Oregon, Utah, Colorado and South Dakota, have changed their rating laws over the last 12 years requiring insurers to compete.

Montana most recently saw a rate decrease in the "fully loaded" rates. If that trend continues, rates can be expected to go down even further, on average, because of increased competition.

Who Makes Sure Insurance Companies Compete?

The Commissioner of Insurance must determine, using quantitative data, the level of competition in the market. If the market is found to be uncompetitive, the Commissioner has the authority to impose rates. If an insurer improperly uses a rate, the Commissioner would have the power to return improperly collected premiums to policyholders, and, should the insurance company not comply, the Commissioner has the power to fine companies up to \$1000 per violation, or to suspend the company's license to do business in the state.

Does the Bill Require NCCI to be the Designated Advisory Organization?

No.

The National Council on Compensation Insurance [NCCI], comprises insurance companies providing workers' compensation insurance, as well as other noninsurers. Insurers are required to submit loss and expense data to the NCCI. These data are actuarially evaluated to predict costs over the following year. Aggregation of industry-wide loss and expense data affords greater accuracy and promotes competition.

Under the current system in Montana, NCCI is the licensed statistical organization that submits advisory rate recommendations to the Insurance Commissioner for review prior to insurers' authority to use them.

Under Senate Bill 384, however, the Insurance Commissioner may designate any rating organization that is licensed to assist him in regulating Plan 2 insurers. It is appropriate that the Insurance Commissioner, the impartial regulator, designates the advisory organization, rather than the selection being made by insurance companies competing in the workers' compensation market.

What is the Impact on the State Fund?

The bill has no impact, in any way, on the manner in which the State Fund currently does business.

The impact is limited to the Plan 2 insurers, requiring them to compete with each other on the rates they use for Montana policyholders. Under the bill, the State Fund has the option of providing their information to other organizations.

Are Benefits Affected?

No. Senate Bill 384 does not affect who gets benefits, how many benefits they may get, how long they get benefits, nor how benefit levels are determined. The bill deals only with prices Plan 2 insurers charge, and how they arrive at those prices.

What is the Fiscal Impact on the Insurance Commissioner?

While the fiscal note indicates that there will be one FTE required under this bill, that FTE is required to regulate under the current law. There should be no increased cost to the Commissioner's office, save necessary expenses associated with rulemaking.

Is the Law Based on any Other Model?

Yes. The law is based on an NAIC model, adopted October 1992, which has been modified to conform to Montana's insurance regulatory scheme and the unique status of the State Fund outside that regulatory scheme. The use of that model is consistent with an increasingly large portion of the Insurance Code.

Submitted to the House Business and Labor Committee, Monday, March 6, 1995 at 10:00 am.

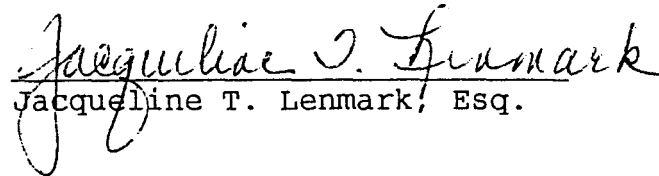

Jacqueline T. Lenmark, Esq.

EXHIBIT 11

DATE 3-6-95

SB 384

Montana Competitive Rating
for Workers' Compensation Coverage
Senate Bill 384

Other States With Competitive Rating Laws:

Alabama	Michigan
Arkansas	Minnesota
California	Mississippi
Colorado	Missouri
Connecticut	Nebraska
Delaware	New Hampshire
District of Columbia	New Mexico
Georgia	Oklahoma
Hawaii	Oregon
Illinois	Pennsylvania
Indiana	Rhode Island
Iowa	South Carolina
Kansas	South Dakota
Kentucky	Texas
Louisiana	Utah
Maine	Vermont
Maryland	Virginia

MONTANA COMPETITIVE RATING BILL
SB 384
SECTION BY SECTION SUMMARY PREPARED BY
AMERICAN INSURANCE ASSOCIATION

Section 1 - Definitions

Sets out the new definitions of a competitive marketplace in the state, new terms related to requiring individual insurers set their own rates for policyholders, as the State Fund currently does, but does not apply to the State Fund, defines a workers' compensation advisory organization and specifies that the information filed by that organization on behalf of Plan 2 insurers is limited to the cost of paying claims in Montana and is not to include individual insurance company profit, expenses, overhead, license, fees, etc.

Section 2 - Competitive Market

A competitive market is presumed to exist, unless the Commissioner finds otherwise. The Commissioner is required to use quantitative economic analyses to measure the competitiveness of the market. That analysis is to include the number of insurers operating in the state, market shares of the insurers in the state, ease of entry into the market, market concentration and insurer profitability.

Section 3 - Ratemaking Standards and Commissioner's Review

Rates may not be excessive, inadequate or unfairly discriminatory. Standards are set out to define what constitutes excessive, inadequate and unfairly discriminatory rates, including expenses, profits, loss experience, catastrophe hazards and dividends, savings and unabsorbed premiums returned to policyholders.

Section 4 - Dividends

Dividends and other forms of premium return from insurers to policyholders are specifically permitted.

Section 5 - Advisory Organization

The Commissioner shall annually designate an advisory organization to collect data from insurers through a uniform statistical reporting plan. The advisory organization would file and have approved by the Commissioner a uniform experience rating plan to measure individual employer's safety and loss prevention effectiveness, and a uniform classification system for Plan 2 insurers. The section specifically permits plans to permit the return of premium, or premium credits or debits based on past or expected loss experience of an individual policyholder.

Section 6 - State Fund Membership in a Rating Organization

Amendments proposed by the State Fund allow the State Fund to belong to an advisory or rating organization other than the organization designated by the Commissioner, but require the reporting of information to the Commissioner-designated organization. The State Fund would be required to provide data under the uniform statistical reporting plan, as is done currently, but would not be required to adhere to the uniform experience rating plan or classification system. These requirements do not alter the way in which the State Fund does business today.

Section 7 - Interchange of Rating Plan, Data and Cooperative Action in Ratemaking

Cooperative activity is limited to that needed to provide information to licensed advisory organizations for statistical reporting, loss experience reporting and the classification system. The Commissioner has oversight of the interchange of information. This section does not apply to the State Fund.

Section 8 - Rate Filings

The advisory organization is limited to filing information relating to the costs of paying workers' compensation claims in Montana, and is specifically prohibited from including any insurance company profit, expense, other than claim payment expenses, overhead, tax, license, fee or other individual insurance company factors in its filings. Where necessary, information from out of state may be used. Individual insurance company profits, costs, overhead, taxes, fees, etc. may not be included in the information filed by the advisory organization and must be provided to the Commissioner by the individual insurer. Insurers may adopt the loss cost filings of the advisory organization and add their expenses, profit factors, overhead, taxes, licenses, fees, etc. This section does not apply to the State Fund.

Section 9 - Rate Filing Review

Filings must be on record for review by the Commissioner a minimum of 30 days before going into effect, unless the Commissioner disapproves of the filing, requests an extension or, approves a shorter time period. This section does not apply to the State Fund.

Section 10 -- Improper Rates

If the Commissioner finds that a rate is in violation of the law, he or she shall order its discontinuance, and apply a premium adjustment to any policy then in force. If a rate is disapproved, the last approved rate shall be reimposed for the next year, unless the Commissioner approves otherwise. The Commissioner's findings must be made in accordance with accepted actuarial standards. The Commissioner shall order the return of any improperly collected premium. This section does not apply to the State Fund.

Section 11 - Restrictions on Certain Insurers

The Commissioner may require special review of an insurer's filings, if he or she finds it to be in the best interests of the insurer and policyholders of the state. This section does not apply to the State Fund.

Section 12 - Delay of Rates in a Noncompetitive Market

The Commissioner may require additional filing review time if he or she finds that a competitive market does not exist, provides written notice for an extended of the review period, or, if requests for additional information have not been met. This section does not apply to the State Fund.

Section 13 -- Consent to Rate

If a policyholder provides written agreement, a rate in excess of that otherwise approved may be used. This section does not apply to the State Fund.

Section 14 - Acts Reducing Competition Prohibited.

Insurers and advisory organizations may not

- *monopolize or attempt to monopolize, combine or conspire to monopolize the business of insurance, subdivision or class;
- *agree with each other to charge or to adhere to any rate or rating plan other than that filed and approved by the Commissioner to be in compliance with this act;
- *agree with each other to restrain trade or lessen competition;
- *agree with each other to refuse to deal with any person in relation to the sale of insurance; or
- *interfere with any insurer in making its own rates or charge rates different than any other insurer.

The advisory organization may not require adherence to its rates or prevent any insurer from acting independently. This section does not apply to the State Fund, unless it chooses to belong to the designated advisory organization.

Section 15 - Advisory Organization - Permitted Activity

The advisory organization may:

- *develop statistical plans including class definitions;
- *collect statistical information from members, subscribers or any other source;
- *prepare and distribute rate information related to the costs of paying workers' compensation claims in accordance with the statistical plan and in such detail so that insurers can interpret the information according to their own methods or interpretations;
- *prepare and distribute manuals of rating rules and schedules, that do not include information which can be used to calculate final rates without additional outside information;
- *distribute information that is on file with the Commissioner and open to public inspection;

- *collect, compile and distribute past and present prices of individual insurers, if such information is available to the general public;
- *conduct research and collect information on the impact of benefit level changes;
- *prepare and distribute rules and values for the uniform rating plan; and
- *calculate and disseminate premium modification factors.

This section does not affect the current business practices of the State Fund, and will not unless the State Fund chooses to belong to the designated advisory organization.

Section 16 - Advisory Organization - Prohibited Activity

The advisory organization may not compile or distribute recommendations relating to expenses, profits, overhead, taxes, licenses, fees, etc. This section does not apply to the State Fund.

Section 17 - Penalties

The Commissioner may apply a \$500 fine per violation; \$1000, per violation if the violation is willful to any insurer or the advisory organization. The Commissioner may suspend the license of any insurer or the advisory organization for failure to comply with an order of the Commissioner. This section does not apply to the State Fund, but will apply to the advisory organization of which the State Fund is a member if State Fund chooses membership in the designated advisory organization.

Section 18 - Appeals from the Commissioner

Appeals of an order, decision or act of the Commissioner may be appealed to District Court. This section does not affect the current business practices of the State Fund.

Section 19 - Amends Section 33-16-303, MCA

Amends the current law to clarify correct internal references.

Section 20 - Amends Section 33-16-403, MCA

Permits only one workers' compensation advisory organization may be designated at one time. The designated advisory organization must renew its license on an annual basis.

Section 21 - Amends Section 33-16-1002, MCA

Specifies that this act applies to Plan 2 insurers making of premium rates for workers' compensation or employers liability, but not reinsurance.

Section 22 - Amends Section 33-16-1011, MCA - The Classification and Rating Committee membership and term

Deletes reference to "rating organization," and replaces it with "the advisory organization designated under [section 5]."

Section 23 - Amends Section 33-16-1012, MCA - The Classification and Rating Committee Powers

Deletes the authority of the Classification and Rating Committee to establish rates.

Section 24 - Amends Section 39-71-435, MCA

Deletes reference to "rating organization," and replaces it with "the advisory organization designated under [section 5]."

Section 25 - Amends Section 39-71-2204, MCA

Section 26 - Amends Section 39-71-2205, MCA

Section 27 - Amends Section 39-71-2211, MCA

Deletes reference to the "national council on compensation insurance," and replaces it with "the advisory organization designated in section 5."

Section 28 - Amends Section 39-71-2316, MCA

Deletes reference to the "national council on compensation insurance," and replaces it with "the advisory organization designated in section 5." With State Fund amendments, this section requires State Fund membership in a licensed advisory organization, but not necessarily the designated advisory organization.

Section 29 - Repeals Sections 33-16-1004 and 33-16-1005, MCA, the current rating law.

Section 30 - Coordination

Section 31 - Codification

Section 32 - Saving Clause

Section 33 - Severability

Section 34 - This act is effective upon and applies to rate filings made on or after October 1, 1995.

EXHIBIT 11
DATE 3-6-95
XL 5B384

MEMORANDUM

American Insurance Association

TO: Bruce Wood
FROM: David Corum
DATE: December 13, 1994
RE: Montana workers' compensation insurance market

As expected, Herfindahl-Hirschman Index (HHI) scores indicate a highly non-competitive workers' compensation insurance market in Montana. Joe Palermo explained to me that the U.S. Department of Justice uses the following guidelines in interpreting HHI results in the context of reviewing a proposed merger or acquisition. An HHI score of less than 1,000 indicates that a market is generally competitive. A 1,000-1,800 score indicates moderate competition and justifies a closer examination of specific structural features of the market in question. A score exceeding 1,800 indicates serious market problems and is likely to receive very close examination by Justice. The HHI score for Montana's workers' compensation insurance market in 1993 is 5,394. (The countrywide HHI for workers' compensation in 1993 was 302.) The sole reason for Montana's high HHI score was the State Fund's 73% market share.

Sheet1

MONTANA
WORKERS' COMPENSATION
WITHOUT STATE FUND

TOP 50 REPORT

COMPANY NAME	STAT CODE	LINE CODE	DIRECT PREMIUMS WRITTEN	MARKET SHARE (D.P.W.)	CUMULATIVE	(MARKET SHARE)2	SUM OF SQUARES
KEMPER NAT INS COS	27	14	9,853,394.00	15.68	15.68	246.9346000	736.6735102
LIBERTY MUTUAL GROUP	27	14	7,528,028.00	11.98	27.66	143.552377	
AMER INTERN GROUP	27	14	6,227,986.00	9.91	37.58	98.25237394	
CIGNA GROUP	27	14	5,393,177.00	8.58	46.16	73.67790767	
MONTANA LOGGERS EXCH	27	14	3,261,031.00	5.19	51.35	26.93753125	
ARGONAUT INS GROUP	27	14	3,247,309.00	5.17	56.52	26.71130688	
NATIONWIDE GROUP	27	14	3,097,789.00	4.93	61.45	24.30813296	
RELIANCE INS GROUP	27	14	2,994,198.00	4.77	66.21	22.70957301	
FIREMAN'S FUND COS	27	14	2,353,489.00	3.75	69.96	14.03047203	
CNA INS COMPANIES	27	14	2,004,142.00	3.19	73.15	10.17430882	
HOME INS COS	27	14	1,955,471.00	3.11	76.26	9.688138978	
TALEGEN INS GROUPS	27	14	1,936,143.00	3.08	79.34	9.495608431	
OLD REPUBLIC GEN GRP	27	14	1,559,917.00	2.48	81.83	6.163833782	
AETNA LIFE & CAS GRP	27	14	1,537,336.00	2.45	84.27	5.986672918	
LEGION INS CO	27	14	1,268,209.00	2.02	86.29	4.074080429	
ZURICH INS GROUP-U S	27	14	1,248,548.00	1.98	88.27	3.93609842	
TRAVELERS INS GROUP	27	14	1,065,549.00	1.70	89.97	2.876039115	
ST PAUL GROUP	27	14	1,008,595.00	1.61	91.58	2.576805023	
ITT HARTFORD INS GRP	27	14	833,285.00	1.33	92.91	1.780046415	
JOHN DEERE GROUP	27	14	813,312.00	1.29	94.2	1.675568923	
LUMBERMEN'S UNDRG AL	27	14	429,018.00	0.68	94.89	0.466228657	
CONTINENTAL INS COS	27	14	427,284.00	0.68	95.57	0.462424188	
MIDWEST EMPLRS CAS	27	14	292,389.00	0.47	96.03	0.218555888	
ORION CAPITAL COS	27	14	282,183.00	0.47	96.5	0.216250851	
SAFECO INS COMPANIES	27	14	270,521.00	0.43	96.93	0.185374463	
UNITED STATES F&G GR	27	14	216,877.00	0.35	97.27	0.119144756	
FEDERATED MUTUAL GRP	27	14	181,000.00	0.26	97.53	0.08565982	
BALDWIN & LYONS GRP	27	14	158,430.00	0.25	97.78	0.06358033	
PHICO INS CO	27	14	149,242.00	0.24	98.02	0.058419607	
EMPLOYERS RE GROUP	27	14	143,614.00	0.23	98.25	0.05224481	
CHUBB GRP OF INS COS	27	14	141,058.00	0.22	98.47	0.050401491	
SENTRY INS GROUP	27	14	116,180.00	0.18	98.66	0.034190912	
CUNA MUT INS GROUP	27	14	111,518.00	0.18	98.83	0.031501982	
ROYAL INS GROUP	27	14	106,138.00	0.17	99	0.028535779	
TIG HOLDINGS GROUP	27	14	91,434.00	0.15	99.15	0.021176948	
REPUBLIC WESTERN INS	27	14	83,363.00	0.13	99.28	0.017603321	
PETROLEUM CASUALTY	27	14	71,427.00	0.11	99.4	0.01292328	
HIGHLANDS INS GROUP	27	14	60,291.00	0.10	99.49	0.009207737	
FARMERS INS GROUP	27	14	52,549.00	0.08	99.58	0.006994825	
GULF INS GROUP	27	14	47,460.00	0.08	99.65	0.005705627	
AMER FINANCIAL GROUP	27	14	39,055.00	0.06	99.71	0.003863681	
ATLANTIC MUTUAL COS	27	14	32,143.00	0.05	99.76	0.002617103	
PHOENIX INS GROUP	27	14	29,208.00	0.05	99.81	0.002160688	
NAT AMERICAN INS	27	14	17,574.00	0.03	99.84	0.000782329	
CHURCH MUTUAL INS	27	14	15,900.00	0.03	99.86	0.000640387	
NORTHWESTERN NAT GRP	27	14	14,347.00	0.02	99.89	0.000521399	
INDIANA LUMBERMN MUT	27	14	12,890.00	0.02	99.91	0.000420876	
GENERAL ACC GROUP	27	14	11,251.00	0.02	99.93	0.000320849	
EMC INS COS	27	14	10,929.00	0.02	99.94	0.000302558	
FLORISTS' MUTUAL GRP	27	14	10,450.00	0.02	99.96	0.000276618	
TOTAL TOP 50	27	14	62,805,808.00	99.96	99.96		
TOTAL ALL COMPANIES	27	14	62,831,298.00	100	100		

EXHIBIT 11
DATE 3-6-95
SB 384WORKERS' COMPENSATION RATEMAKING IN MONTANAAT A GLANCE

Under the current system in Montana, the National Council on Compensation Insurance, as the licensed statistical organization in Montana, submits advisory rate recommendations to the Insurance Department for review prior to insurers' authority to use them. NCCI is comprised of insurance companies providing workers' compensation insurance, as well as other non-insurers. Insurers are required to submit loss and expense data to the NCCI. These data are actuarially evaluated to predict costs over the following year. Aggregation of industry-wide loss and expense data affords greater accuracy and promotes competition.

A rate request consists of many elements: The estimate of losses expected over the ensuing year (known as loss costs or pure premium, adjusted for trend and loss development), loss adjustment expenses (the cost incurred by claims management), operating costs, taxes, assessments, and other fees, and profit. States differ in how these rate elements are treated for purposes of Insurance Department review and approval. The rate process is closely supervised by state government.

✓ All states by statute require that rates be adequate but not excessive, and that they distribute costs fairly among policyholders.

✓ All states actively exercise their regulatory authority to ensure compliance. There are various approaches to state regulation.

✓ Some states allow insurers to adopt the rating organization's recommended rate without express Insurance Department approval, while others, such as Montana, provide effectively for prior approval by requiring NCCI to file proposed rates before their effective date. Montana, as do some other states, limits NCCI's developed rate to an advisory rate, permitting insurers to adopt its advisory rate (once approved) or an alternative rate.

✓ Other states require loss costs to be submitted for approval but require individual insurers to file their own expenses.

✓ Still others require the rating organization to develop a full, final rate, subject to Insurance Department approval. This rating system is similar to the practice in most states.

In recent years some states have modernized Insurance

Department oversight of workers' compensation ratemaking. There is a trend among the states to rely more on individual insurers to develop their own expenses. The terms "open competition," "competitive rating," or "loss cost rating" often are used to describe these approaches. However, they do not necessarily describe the relative degree of pricing freedom intended. Therefore, what is crucial to understanding a rating system is the role of the rating organization, the extent to which its decisions are subject to prior approval, and the extent to which individual insurers can implement a rate without prior approval. Also of crucial importance is the standard of review.

Montana requires the NCCI to collect data on losses, expenses, profits, licenses, fees, and other associated expenses, because under Montana law the NCCI is required to develop a fully developed and trended final advisory rate, including an allowance for expenses and reasonable profit.

Illinois, Maryland, and Oregon all are known as "competitive rating" jurisdictions; but the role of the rating organization, as well as the relative extent of pricing flexibility in each, differ markedly. Illinois allows the rating organization to develop a final rate which insurers may adopt. Prior approval is not required for either the rating organization's filing or individual insurer filings. Oregon, on the other hand, requires each insurer to separately gain approval of its own loss costs, notwithstanding the approval given to the rating organization's loss costs filing. Maryland requires prior approval of the rating organization's loss costs filing which individual insurers can adopt ("reference") in establishing their own final rates (adding in their own expense/profit factors) without prior approval. In all cases Insurance Commissioners still have the authority to disapprove an implemented rate if it fails to meet the statutory standard.

Multiple levels of prior approval -- requiring prior approval of a rating organization-developed loss cost element, as well as of the individual insurer-developed expenses/profit component -- combine the worst features of all rating laws -- requiring each insurer to absorb the expenses and endure the uncertainty of developing each component of its own rates, subjecting both the rating organization's activities, as well as individual insurer activities to prior approval, while preventing the timely review and implementation of necessary rating adjustments.

The standard of review is also an important consideration in evaluating a rating law. Although all states by statute require that rates not be excessive, inadequate, or unfairly discriminatory, they differ in how they interpret this standard.

Many states relying on greater individual insurer

EXHIBIT

11

DATE

3-6-95

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SB 384

responsibility to develop their own rates look to competition in the marketplace as the test of whether a rate is excessive or inadequate and presume that a competitive market exists. Maryland's and Michigan's Insurance Departments, for example, are required to issue an annual report on the degree of competition in their respective markets for workers' compensation, predicated on accepted actuarial standards. The National Association of Insurance Commissioners' Model Competitive Rating Law, promulgated in the early 1980s, states expressly that: "Rates in a competitive market are not excessive." Many states, such as Minnesota, and Delaware have incorporated this language expressly into their rating laws while others, such as Missouri and California, have adopted this concept impliedly.

* * *

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Jaqueline Denmark	Am. Bus. Ass'n	✓	
STAN KALECZYK KALECZYK	NATIONAL COUNCIL IN COMPENSATION INS.	✓	
CURT LAINGEN	MT MOTOR CARRIERS ASSN	✓	

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A.F.S.C.M.E. 58604 P.O. Box 5356 Helena MT	A F S C M E		✓
Steven Shapiro	MT. Nurses Assn.		
TERRY MITTON	COALITION FOR WORK COMP SYSTEM IMPROVEMENT	✓	
HARLee Thompson Helena	CWCST + MBLA	✓	
W. James Kember	Liberty Northwest Ins.	✓	
Don Allen	CWCST Montana Public Safety Group	✓	
Charles R. Brooks	Billings Chamber	✓	
Jacqueline Denmark	Am. Ins. Ass'n	✓	
Robert McWhit	Bozeman Chamber	✓	
Jennifer Knepper 1101 S. Montana Butte, MT 59701	MONTANA ACADEMY OF PHYSICIAN & DENTISTS	✓	✓
JOHN VAN SUGAREN 3746 E. RIGGS ST. East Helena, MT	MONTANA FEDERATION OF STATE EMPLOYEES + TEACHERS		✓
Randy Spear	Self - PAs in Montana	✓	✓
George Wood	MT. Self Insurance Assn	✓	

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DEPT OF LABOR

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Jerry Daniel	mt state Building Trades		✓
Riley Johnson	NFIB	✓	
CURT LAINGEN	MT MOTOR CARRIERS ASSN	✓	
Norm Grosfield	Self		✓
Steve Turkiewicz	Mt. Auto Dealers Assn	✓	
Russell B Hill	MT Trial Lawyers		✓
Melissa Case	Hotel Employees + Rest. Employ Union		✓
David Owen	mt chamber	✓	

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