

SENATE BILL NO. 409  
INTRODUCED BY FARRELL

IN THE SENATE

February 14, 1985	Introduced and referred to Committee on Labor and Employment Relations.
February 23, 1985	Committee recommend bill do pass as amended. Report adopted.  Statement of Intent attached.
February 25, 1985	Bill printed and placed on members' desks.
February 26, 1985	Second reading, do pass.  Considered correctly engrossed.
February 27, 1985	Third reading, passed. Ayes, 50; Noes, 0.  Transmitted to House.

IN THE HOUSE

March 7, 1985	Introduced and referred to Committee on Business and Labor.
March 28, 1985	Committee recommend bill be concurrred in. Report adopted.
March 30, 1985	Second reading, concurrred in.
April 1, 1985	Third reading, concurrred in.  Returned to Senate.

IN THE SENATE

April 1, 1985

Received from House.

April 2, 1985

Sent to enrolling.

Reported correctly enrolled.

Senate BILL NO. 409

INTRODUCED BY William E. Fawcett

A BILL FOR AN ACT ENTITLED: "AN ACT RELATING TO MEDICAL EXAMINATIONS AND EXPENSES OF WORKERS' COMPENSATION CLAIMANTS; AMENDING SECTIONS 39-71-605 AND 39-71-704, MCA."

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MONTANA:

Section 1. Section 39-71-605, MCA, is amended to read:

"39-71-605. Examination of employee by physician -- effect of refusal to submit to examination -- report and testimony of physician -- cost. (1) (a) Whenever in case of injury the right to compensation under this chapter would exist in favor of any employee, he shall, upon the written request of his employer or the insurer, submit from time to time to examination by a physician or panel of physicians, who shall be provided and paid for by such employer or insurer, and shall likewise submit to examination from time to time by any physician or panel of physicians selected by the division or any member or examiner or referee thereof.

(b) The request or order for such examination shall fix a time and place therefor, due regard being had to the convenience of the employee and his physical condition and ability to attend at the time and place fixed. The employee shall be entitled to have a physician provided-and-paid--for

by--himself present at any such examination. So long as the employee, after such written request, shall fail or refuse to submit to such examination or shall in any way obstruct the same, his right to compensation shall be suspended. Any physician or panel of physicians employed by the employer, the insurer, or the division who shall make or be present at any such examination may be required to testify as to the results thereof.

(2) In the event of a dispute concerning the physical condition of a claimant or the cause or causes of his injury or disability, if any, the division, at the request of the claimant, employer, or insurer, as the case may be, shall require the claimant to submit to such examination as it may deem desirable by a physician or panel of physicians within the state or elsewhere who have had adequate and substantial experience in the particular field of medicine concerned with the matters presented by the dispute. The physician or panel of physicians making the examination shall file a written report of his findings with the division for its use in the determination of the controversy involved. The division shall pay the physician or panel of physicians for the examination and shall be reimbursed by the party who requested it."

Section 2. Section 39-71-704, MCA, is amended to read:

"39-71-704. Payment of medical, hospital, and related



1 services. (1) In addition to the compensation provided by  
 2 this chapter and as an additional benefit separate and apart  
 3 from compensation, the following shall be furnished:

4 (a) After the happening of the injury, the employer-or  
 5 insurer shall furnish, without limitation as to length of  
 6 time or dollar amount, reasonable services by a physician or  
 7 surgeon, reasonable hospital services and medicines when  
 8 needed, and such other treatment as may be approved by the  
 9 division for the injuries sustained.

10 (b) The employer-or insurer shall replace or repair  
 11 prescription eyeglasses, prescription contact lenses,  
 12 prescription hearing aids, and dentures that are damaged or  
 13 lost as a result of an injury, as defined in 39-71-119,  
 14 arising out of and in the course of employment.

15 (2) ~~Fees-and-charges~~ A relative value fee schedule for  
 16 medical, chiropractic, hospital, and paramedical services  
 17 provided for in this chapter, ~~excluding-hospital-services,~~  
 18 shall be established annually by the workers' compensation  
 19 division ~~based-on-the-90th-percentile-of-usual-and-customary~~  
 20 ~~charges--of--the--medical--specialty--involved--based-upon-the~~  
 21 ~~most-recent-6-months-data-as-determined~~ and become effective  
 22 in January and July of each year. The maximum fee schedule  
 23 must be adopted as a relative value fee schedule of medical,  
 24 chiropractic, hospital, and paramedical services, with unit  
 25 values to indicate the relative relationship within each

1 grouping of specialties of medical charges as billed to the  
 2 state compensation insurance fund during the year preceding  
 3 the adoption of the schedule."

4 NEW SECTION. Section 3. Extension of authority. Any  
 5 existing authority of the division of workers' compensation  
 6 to make rules on the subject of the provisions of this act  
 7 is extended to the provisions of this act.

-End-

APPROVED BY COMMITTEE  
ON LABOR & EMPLOYMENT  
RELATIONS

1 STATEMENT OF INTENT

2 SENATE BILL 409

3 Senate Labor and Employment Relations Committee

4  
5 It is the intention of the legislature that the  
6 workers' compensation division publish an annual fee  
7 schedule which insurers must use to pay for medical,  
8 chiropractic, and paramedical services provided for in the  
9 Workers' Compensation and Occupational Disease Acts. The fee  
10 schedule is to be modeled on the 1974 revision of the 1969  
11 California Relative Value Studies. The rules must establish  
12 the relative unit values, groups of specialties, and the  
13 payment procedures used in the California study unless the  
14 division has information and data that will allow a reliable  
15 adaptation of the California study to current Montana  
16 practice related to the care of occupationally injured or  
17 diseased workers. The rules should also define the method  
18 the division will use to annually determine the median of  
19 billed fees.

SECOND READING

SB409

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2 INTRODUCED BY FARRELL

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4 A BILL FOR AN ACT ENTITLED: "AN ACT RELATING TO MEDICAL  
5 EXAMINATIONS AND EXPENSES OF WORKERS' COMPENSATION  
6 CLAIMANTS; AMENDING SECTIONS 39-71-605 AND 39-71-704, MCA."  
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17 who shall be provided and paid for by such employer or  
18 insurer, and shall likewise submit to examination from time  
19 to time by any physician or panel of physicians selected by  
20 the division or any member or examiner or referee thereof.

21 (b) The request or order for such examination shall  
22 fix a time and place therefor, due regard being had to the  
23 convenience of the employee and his physical condition and  
24 ability to attend at the time and place fixed. The employee  
25 shall be entitled to have a physician ~~provided-and-paid-for~~

1 ~~by--himself~~ present at any such examination. So long as the  
2 employee, after such written request, shall fail or refuse  
3 to submit to such examination or shall in any way obstruct  
4 the same, his right to compensation shall be suspended. Any  
5 physician or panel of physicians employed by the employer,  
6 the insurer, or the division who shall make or be present at  
7 any such examination may be required to testify as to the  
8 results thereof.

9 (2) In the event of a dispute concerning the physical  
10 condition of a claimant or the cause or causes of his injury  
11 or disability, if any, the division, at the request of the  
12 claimant, employer, or insurer, as the case may be, shall  
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14 deem desirable by a physician or panel of physicians within  
15 the state or elsewhere who have had adequate and substantial  
16 experience in the particular field of medicine concerned  
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19 written report of ~~his~~ findings with the division for its use  
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22 the examination and shall be reimbursed by the party who  
23 requested it."

24 Section 2. Section 39-71-704, MCA, is amended to read:

25 "39-71-704. Payment of medical, hospital, and related

1 services. (1) In addition to the compensation provided by  
 2 this chapter and as an additional benefit separate and apart  
 3 from compensation, the following shall be furnished:

4 (a) After the happening of the injury, the employer-or  
 5 insurer shall furnish, without limitation as to length of  
 6 time or dollar amount, reasonable services by a physician or  
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 8 needed, and such other treatment as may be approved by the  
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 11 prescription eyeglasses, prescription contact lenses,  
 12 prescription hearing aids, and dentures that are damaged or  
 13 lost as a result of an injury, as defined in 39-71-119,  
 14 arising out of and in the course of employment.

15 (2) ~~Fees-and-charges~~ A relative value fee schedule for  
 16 medical, chiropractic, ~~hospital~~ and paramedical services  
 17 provided for in this chapter, ~~excluding-hospital-services,~~  
 18 EXCLUDING HOSPITAL SERVICES, shall be established annually  
 19 by the workers' compensation division based-on-the-90th  
 20 percentile-of-usual-and-customary--charges--of--the--medical  
 21 specialty--involved-based-upon-the-most-recent-6-months-data  
 22 as-determined and become effective in January and July of  
 23 each year. The maximum fee schedule must be adopted as a  
 24 relative value fee schedule of medical, chiropractic,  
 25 ~~hospital~~ and paramedical services, with unit values to

1 indicate the relative relationship within each grouping of  
 2 specialties ~~of--medical-charges.~~ MEDICAL FEES MUST BE BASED  
 3 ON THE MEDIAN FEES as billed to the state compensation  
 4 insurance fund during the year preceding the adoption of the  
 5 schedule. THE DIVISION SHALL ADOPT RULES ESTABLISHING  
 6 RELATIVE UNIT VALUES, GROUPS OF SPECIALTIES, THE PROCEDURES  
 7 INSURERS MUST USE TO PAY FOR SERVICES UNDER THE SCHEDULE,  
 8 AND THE METHOD OF DETERMINING THE MEDIAN OF BILLED MEDICAL  
 9 FEES. THESE RULES SHALL BE MODELED ON THE 1974 REVISION OF  
 10 THE 1969 CALIFORNIA RELATIVE VALUE STUDIES."

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 12 existing authority of the division of workers' compensation  
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SB409



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