HF4661 FIRST ENGROSSMENT REVISOR SS H4661-1 Printed This Document can be made available State of Minnesota 332 in alternative formats upon request Page No. HOUSE OF REPRESENTATIVES H. F. No. 4661 NINETY-THIRD SESSION Authored by Wolgamott and Virnig 03/07/2024 The bill was read for the first time and referred to the Committee on Labor and Industry Finance and Policy Adoption of Report: Placed on the General Register as Amended 03/21/2024

| | Read for the Second Time |
|------------|-----------------------------------------------------------|
| 04/04/2024 | By motion, re-referred to the Committee on Ways and Means |
| 04/09/2024 | Adoption of Report: Placed on the General Register |
| | Read for the Second Time |
| 04/24/2024 | Calendar for the Day |
| | Read for the Third Time |
| | Passed by the House and transmitted to the Senate |
| 05/01/2024 | Passed by the Senate and returned to the House |
| 05/07/2024 | Presented to Governor |
| 05/08/2024 | Governor Approval |
| | |

A bill for an act

relating to workers' compensation; making policy and technical changes to workers' 1.2 compensation coverage and hearings; modifying provisions related to the Workers' 1.3 Compensation Court of Appeals; amending Minnesota Statutes 2022, sections 1.4 176.011, subdivisions 1a, 2, 18; 176.101, subdivision 1; 176.102, subdivision 13; 1.5 176.104, subdivision 1; 176.106, subdivision 4; 176.129, subdivision 10; 176.1292, 1.6 subdivisions 2, 9; 176.137, subdivisions 2, 5; 176.155, subdivision 2; 176.231, 1.7 subdivision 9a; 176.238, subdivisions 1, 2, 3, 4, 5, 6, 7, 10; 176.239, subdivisions 1.8 2, 3, 4, 5, 9, 10; 176.253, subdivision 2; 176.2611, subdivision 7; 176.271, 1.9 subdivision 1; 176.275, subdivision 1; 176.285, subdivisions 2, 2a, 2b; 176.305, 1.10 subdivision 1; 176.321, subdivisions 1, 3; 176.322; 176.341, subdivision 6; 176.361, 1.11 subdivisions 1, 4; 176.421, subdivision 7; Minnesota Statutes 2023 Supplement, 1.12 sections 176.081, subdivision 1; 176.101, subdivision 2a; 176.135, subdivision 7; 1.13 176.155, subdivision 1; 176.239, subdivisions 6, 7. 1.14

1.15 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MINNESOTA:

1.16 Section 1. Minnesota Statutes 2022, section 176.011, subdivision 1a, is amended to read:

- Subd. 1a. Administrative conference. An "administrative conference" is a meeting
 conducted by a commissioner's designee <u>or a compensation judge</u> where parties can discuss
 on an expedited basis and in an informal setting their viewpoints concerning disputed issues
- 1.20 arising under section 176.102, 176.103, 176.135, 176.136, or 176.239. If the parties are
- 1.21 unable to resolve the dispute, the commissioner's designee <u>or a compensation judge</u> shall
- 1.22 issue an administrative decision under section 176.106 or 176.239.
- 1.23 Sec. 2. Minnesota Statutes 2022, section 176.011, subdivision 2, is amended to read:
- 1.24 Subd. 2. Child. "Child" includes a posthumous child, a child entitled by law to inherit
- 1.25 as a child of a deceased person, a child of a person adjudged by a court of competent
- 1.26 jurisdiction to be the father parent of the child, and a stepchild, grandchild, or foster child

1.1

2.4

who was a member of the family of a deceased employee at the time of injury and dependent
upon the employee for support. A stepchild is a "child" within the meaning of section
176.041.

Sec. 3. Minnesota Statutes 2022, section 176.011, subdivision 18, is amended to read:

Subd. 18. Weekly wage. "Weekly wage" is arrived at by multiplying the daily wage by 2.5 the number of days and fractional days normally worked in the business of the employer 2.6 for the employment involved. If the employee normally works less than five days per week 2.7 or works an irregular number of days per week, the number of days normally worked shall 2.8 be computed by dividing the total number of days in which the employee actually performed 2.9 any of the duties of employment in the last 26 weeks by the number of weeks in which the 2.10 employee actually performed such duties, provided that the weekly wage for part time 2.11 employment during a period of seasonal or temporary layoff shall be computed on the 2.12 number of days and fractional days normally worked in the business of the employer for 2.13 the employment involved. If, at the time of the injury, the employee was regularly employed 2.14 by two or more employers, the employee's days of work for all such employments shall be 2.15 included in the computation of weekly wage. An employee injured while engaged in 2.16 agricultural employment fewer than 30 days in a calendar year, and who is regularly 2.17 employed by two or more employers, shall have their average weekly wage calculated based 2.18 2.19 on the agricultural wages at five times the employee's daily wage, or based only on the employee's other employment, whichever is higher. Occasional overtime is not to be 2.20 considered in computing the weekly wage, but if overtime is regular or frequent throughout 2.21 the year it shall be taken into consideration. The maximum weekly compensation payable 2.22 to an employee, or to the employee's dependents in the event of death, shall not exceed 2.23 66-2/3 percent of the product of the daily wage times the number of days normally worked, 2.24 provided that the compensation payable for permanent partial disability under section 2.25 176.101, subdivision 2a, and for permanent total disability under section 176.101, subdivision 2.26 4, or death under section 176.111, shall not be computed on less than the number of hours 2.27 normally worked in the employment or industry in which the injury was sustained, subject 2.28 also to such maximums as are specifically otherwise provided. 2.29

2.30 EFFECTIVE DATE. This section is effective for dates of injury on or after October 2.31 <u>1, 2024.</u>

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- 3.1 Sec. 4. Minnesota Statutes 2023 Supplement, section 176.081, subdivision 1, is amended
 3.2 to read:
- 3.3 Subdivision 1. Limitation of fees. (a) A fee for legal services of 20 percent of the first 3.4 \$130,000 \$275,000 of compensation awarded to the employee is the maximum permissible 3.5 fee and does not require approval by the commissioner, compensation judge, or any other 3.6 party. All fees, including fees for obtaining medical or rehabilitation benefits, must be 3.7 calculated according to the formula under this subdivision, except as otherwise provided in 3.8 clause (1) or (2).
- (1) The contingent attorney fee for recovery of monetary benefits according to the 3.9 formula in this section is presumed to be adequate to cover recovery of medical and 3.10 rehabilitation benefit or services concurrently in dispute. Attorney fees for recovery of 3.11 medical or rehabilitation benefits or services shall be assessed against the employer or 3.12 insurer only if the attorney establishes that the contingent fee is inadequate to reasonably 3.13 compensate the attorney for representing the employee in the medical or rehabilitation 3.14 dispute. In cases where the contingent fee is inadequate the employer or insurer is liable for 3.15 attorney fees based on the formula in this subdivision or in clause (2). 3.16
- 3.17 For the purposes of applying the formula where the employer or insurer is liable for 3.18 attorney fees, the amount of compensation awarded for obtaining disputed medical and 3.19 rehabilitation benefits under sections 176.102, 176.135, and 176.136 shall be the dollar 3.20 value of the medical or rehabilitation benefit awarded, where ascertainable.
- 3.21 (2) The maximum attorney fee for obtaining a change of doctor or qualified rehabilitation
 3.22 consultant, or any other disputed medical or rehabilitation benefit for which a dollar value
 3.23 is not reasonably ascertainable, is the amount charged in hourly fees for the representation
 3.24 or \$500, whichever is less, to be paid by the employer or insurer.
- 3.25 (3) The fees for obtaining disputed medical or rehabilitation benefits are included in the
 3.26 \$26,000 \$55,000 limit in paragraph (b). An attorney must concurrently file all outstanding
 3.27 disputed issues. An attorney is not entitled to attorney fees for representation in any issue
 3.28 which could reasonably have been addressed during the pendency of other issues for the
 3.29 same injury.
- (b) All fees for legal services related to the same injury are cumulative and may not
 exceed \$26,000 \$55,000. If multiple injuries are the subject of a dispute, the commissioner,
 compensation judge, or court of appeals shall specify the attorney fee attributable to each
 injury.

(c) If the employer or the insurer or the defendant is given written notice of claims for 4.1 legal services or disbursements, the claim shall be a lien against the amount paid or payable 4.2 as compensation. Subject to the foregoing maximum amount for attorney fees, up to 20 4.3 percent of the first \$130,000 \$275,000 of periodic compensation awarded to the employee 4.4 may be withheld from the periodic payments for attorney fees or disbursements if the payor 4.5 of the funds clearly indicates on the check or draft issued to the employee for payment the 4.6 purpose of the withholding, the name of the attorney, the amount withheld, and the gross 4.7 amount of the compensation payment before withholding. In no case shall fees be calculated 4.8 on the basis of any undisputed portion of compensation awards. Allowable fees under this 4.9 chapter shall be available to an attorney who procures a benefit on behalf of the employee 4.10 and be based solely upon genuinely disputed claims or portions of claims, including disputes 4.11 related to the payment of rehabilitation benefits or to other aspects of a rehabilitation plan. 4.12 4.13 The existence of a dispute is dependent upon a disagreement after the employer or insurer has had adequate time and information to take a position on liability. Neither the holding 4.14 of a hearing nor the filing of an application for a hearing alone may determine the existence 4.15 of a dispute. Except where the employee is represented by an attorney in other litigation 4.16 pending at the department or at the Office of Administrative Hearings, a fee may not be 4.17 charged for services with respect to a medical or rehabilitation issue arising under section 4.18 176.102, 176.135, or 176.136 performed before the attorney has filed with the commissioner 4.19 and served on the employer or insurer and the attorney representing the employer or insurer, 4.20 if any, a request for certification of dispute containing the name of the employer and its 4.21 insurer, the date of the injury, and a description of the benefits claimed, and the department 4.22 certifies that there is a dispute and that it has tried to resolve the dispute. If within 30 days 4.23 of the filing of the request the department has not issued a determination of whether a dispute 4.24 exists, the dispute shall be certified if all of the following apply: 4.25

4.26

(1) the insurer has not approved the requested benefit;

(2) the employee, the employee's attorney, or the employee's treating provider has 4.27 submitted any and all additional information requested by the insurer necessary to determine 4.28 4.29 whether the requested benefit is disputed or approved; and

(3) the insurer has had at least seven calendar days to review any additional information 4.30 submitted. 4.31

In cases of nonemergency surgery, if the employer or insurer has requested a second opinion 4.32 under section 176.135, subdivision 1a, or an examination under section 176.155, subdivision 4.33 1, a dispute shall be certified if 45 days have passed following a written request for an 4.34 examination or second opinion and the conditions in clauses (1) to (3) have been met. 4.35

(d) An attorney who is claiming legal fees for representing an employee in a workers' 5.1 compensation matter shall file a statement of attorney fees with the commissioner or 5.2 compensation judge before whom the matter was heard office. A copy of the signed retainer 5.3 agreement shall also be filed. The employee, employer or insurer, and the attorney 5.4 representing the employer or insurer, if any, shall receive a copy of the statement of attorney 5.5 fees. The statement shall be on a form prescribed by the commissioner and shall report the 5.6 number of hours spent on the case. 5.7

5.8

(e) Employers and insurers may not pay attorney fees or wages for legal services of more than \$26,000 \$55,000 per case. 5.9

5.10 (f) An attorney must file a statement of attorney fees within 12 months of the date the attorney has submitted the written notice specified in paragraph (c). If the attorney has not 5.11 filed a statement of attorney fees within the 12 months, the attorney must send a renewed 5.12 notice of lien to the insurer. If 12 months have elapsed since the last notice of lien has been 5.13 received by the insurer and no statement of attorney fees has been filed, the insurer must 5.14 release the withheld money to the employee, except that before releasing the money to the 5.15 employee, the insurer must give the attorney 30 days' written notice of the pending release. 5.16 The insurer must not release the money if the attorney files a statement of attorney fees 5.17 within the 30 days. 5.18

EFFECTIVE DATE. This section is effective for dates of injury on or after October 5.19 1, 2024. 5.20

Sec. 5. Minnesota Statutes 2022, section 176.101, subdivision 1, is amended to read: 5.21

Subdivision 1. Temporary total disability. (a) For injury producing temporary total 5.22 disability, the compensation is 66-2/3 percent of the weekly wage at the time of injury. 5.23

(b)(1) Commencing on October 1, 2013 2024, and each October 1 thereafter, the 5.24 maximum weekly compensation payable is 102 108 percent of the statewide average weekly 5.25 wage for the period ending December 31 of the preceding year. 5.26

5.27 (2) The Workers' Compensation Advisory Council may consider adjustment increases and make recommendations to the legislature. 5.28

(c) The minimum weekly compensation payable is \$130 per week or the injured 5.29 employee's actual weekly wage, whichever is less. Beginning on October 1, 2021, and each 5.30 October 1 thereafter, the minimum weekly compensation shall be 20 percent of the maximum 5.31 weekly compensation payable or the employee's actual weekly wage, whichever is less. 5.32

(e) Temporary total disability compensation shall cease when the employee returns to
work. Except as otherwise provided in section 176.102, subdivision 11, temporary total
disability compensation may only be recommenced following cessation under this paragraph,
paragraph (h), or paragraph (j) prior to payment of 130 weeks of temporary total disability
compensation and only as follows:

(1) if temporary total disability compensation ceased because the employee returned to
work, it may be recommenced if the employee is laid off or terminated for reasons other
than misconduct if the layoff or termination occurs prior to 90 days after the employee has
reached maximum medical improvement. Recommenced temporary total disability
compensation under this clause ceases when any of the cessation events in paragraphs (e)
to (l) occurs; or

(2) if temporary total disability compensation ceased because the employee returned to 6.14 work or ceased under paragraph (h) or (j), it may be recommenced if the employee is 6.15 medically unable to continue at a job due to the injury. Where the employee is medically 6.16 unable to continue working due to the injury, temporary total disability compensation may 6.17 continue until any of the cessation events in paragraphs (e) to (l) occurs following 6.18 recommencement. If an employee who has not yet received temporary total disability 6.19 compensation becomes medically unable to continue working due to the injury after reaching 6.20 maximum medical improvement, temporary total disability compensation shall commence 6.21 and shall continue until any of the events in paragraphs (e) to (l) occurs following 6.22 commencement. For purposes of commencement or recommencement under this clause 6.23 only, a new period of maximum medical improvement under paragraph (j) begins when the 6.24 employee becomes medically unable to continue working due to the injury. Temporary total 6.25 disability compensation may not be recommenced under this clause and a new period of 6.26 maximum medical improvement does not begin if the employee is not actively employed 6.27 when the employee becomes medically unable to work. All periods of initial and 6.28 recommenced temporary total disability compensation are included in the 130-week limitation 6.29 specified in paragraph (k). 6.30

(f) Temporary total disability compensation shall cease if the employee withdraws from
the labor market. Temporary total disability compensation may be recommenced following
cessation under this paragraph only if the employee reenters the labor market prior to 90
days after the employee reached maximum medical improvement and prior to payment of

7.1 130 weeks of temporary total disability compensation. Once recommenced, temporary total
7.2 disability ceases when any of the cessation events in paragraphs (e) to (l) occurs.

(g) Temporary total disability compensation shall cease if the total disability ends and 7.3 the employee fails to diligently search for appropriate work within the employee's physical 7.4 restrictions. Temporary total disability compensation may be recommenced following 7.5 cessation under this paragraph only if the employee begins diligently searching for 7.6 appropriate work within the employee's physical restrictions prior to 90 days after maximum 7.7 medical improvement and prior to payment of 130 weeks of temporary total disability 7.8 compensation. Once recommenced, temporary total disability compensation ceases when 7.9 any of the cessation events in paragraphs (e) to (l) occurs. 7.10

(h) Temporary total disability compensation shall cease if the employee has been released
to work without any physical restrictions caused by the work injury.

(i) Temporary total disability compensation shall cease if the employee refuses an offer
of work that is consistent with a plan of rehabilitation filed with the commissioner which
meets the requirements of section 176.102, subdivision 4, or, if no plan has been filed, the
employee refuses an offer of gainful employment that the employee can do in the employee's
physical condition. Once temporary total disability compensation has ceased under this
paragraph, it may not be recommenced.

(j) Temporary total disability compensation shall cease 90 days after the employee has 7.19 reached maximum medical improvement, except as provided in section 176.102, subdivision 7.20 11, paragraph (b). For purposes of this subdivision, the 90-day period after maximum medical 7.21 improvement commences on the earlier of: (1) the date that the employee receives a written 7.22 medical report indicating that the employee has reached maximum medical improvement; 7.23 or (2) the date that the employer or insurer serves the report on the employee and the 7.24 employee's attorney, if any. Once temporary total disability compensation has ceased under 7.25 7.26 this paragraph, it may not be recommenced except if the employee returns to work and is subsequently medically unable to continue working as provided in paragraph (e), clause 7.27 (2). 7.28

(k) Temporary total disability compensation shall cease entirely when 130 weeks of
temporary total disability compensation have been paid, except as provided in section
176.102, subdivision 11, paragraph (b). Notwithstanding anything in this section to the
contrary, initial and recommenced temporary total disability compensation combined shall
not be paid for more than 130 weeks, regardless of the number of weeks that have elapsed
since the injury, except that if the employee is in a retraining plan approved under section

| 8.1 | 176.102, subdivision 11, the 130-week limitation shall not apply during the retraining, but |
|-----|---------------------------------------------------------------------------------------------|
| 8.2 | is subject to the limitation before the plan begins and after the plan ends. |

8.3 (1) Paragraphs (e) to (k) do not limit other grounds under law to suspend or discontinue
8.4 temporary total disability compensation provided under this chapter.

(m) Once an employee has been paid 52 weeks of temporary total compensation, the
employer or insurer must notify the employee in writing of the 130-week limitation on
payment of temporary total compensation. A copy of this notice must also be filed with the
department.

8.9 EFFECTIVE DATE. This section is effective for dates of injury on or after October 8.10 1, 2024.

8.11 Sec. 6. Minnesota Statutes 2023 Supplement, section 176.101, subdivision 2a, is amended
8.12 to read:

Subd. 2a. Permanent partial disability. (a) Compensation for permanent partial disability
is as provided in this subdivision. Permanent partial disability must be rated as a percentage
of the whole body in accordance with rules adopted by the commissioner under section
176.105. During the 2026 regular legislative session, and every even-year legislative session
thereafter, the Workers' Compensation Advisory Council must consider whether the
permanent partial disability schedule in paragraph (b) represents adequate compensation
for permanent impairment.

(b) The percentage determined pursuant to the rules adopted under section 176.105 must
be multiplied by the corresponding amount in the following table at the time permanent
partial disability is payable according to paragraph (c):

| 8.23 | Impairment Rating | Amount |
|------|------------------------|---------------|
| 8.24 | (percent) | |
| 8.25 | less than 5.5 | \$ 114,260 |
| 8.26 | 5.5 to less than 10.5 | 121,800 |
| 8.27 | 10.5 to less than 15.5 | 129,485 |
| 8.28 | 15.5 to less than 20.5 | 137,025 |
| 8.29 | 20.5 to less than 25.5 | 139,720 |
| 8.30 | 25.5 to less than 30.5 | 147,000 |
| 8.31 | 30.5 to less than 35.5 | 150,150 |
| 8.32 | 35.5 to less than 40.5 | 163,800 |
| 8.33 | 40.5 to less than 45.5 | 177,450 |
| 8.34 | 45.5 to less than 50.5 | 177,870 |

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| 9.1 | 50.5 to less than 55.5 | | 181,965 | |
| 9.2 | 55.5 to less than 60.5 | | 209,475 | |
| 9.3 | 60.5 to less than 65.5 | | 237,090 | |
| 9.4 | 65.5 to less than 70.5 | | 264,600 | |
| 9.5 | 70.5 to less than 75.5 | | 292,215 | |
| 9.6 | 75.5 to less than 80.5 | | 347,340 | |
| 9.7 | 80.5 to less than 85.5 | | 402,465 | |
| 9.8 | 85.5 to less than 90.5 | | 457,590 | |
| 9.9 | 90.5 to less than 95.5 | | 512,715 | |
| 9.10 | 95.5 up to and including 10 | 0 | 567,840 | |

9.11 An employee may not receive compensation for more than a 100 percent disability of9.12 the whole body, even if the employee sustains disability to two or more body parts.

(c) Permanent partial disability is payable upon cessation of temporary total disability 9.13 under subdivision 1. If the employee requests payment in a lump sum, then the compensation 9.14 must be paid within 30 days. This lump-sum payment may be discounted to the present 9.15 value calculated up to a maximum five percent basis. If the employee does not choose to 9.16 receive the compensation in a lump sum, then the compensation is payable in installments 9.17 at the same intervals and in the same amount as the employee's temporary total disability 9.18 rate on the date of injury. Permanent partial disability is not payable while temporary total 9.19 compensation is being paid. 9.20

9.21

EFFECTIVE DATE. This section is effective the day following final enactment.

9.22 Sec. 7. Minnesota Statutes 2022, section 176.102, subdivision 13, is amended to read:

Subd. 13. Discontinuance. (a) All benefits payable under chapter 176 may, after a 9.23 determination and order by the commissioner or compensation judge, be discontinued or 9.24 forfeited for any time during which the employee refuses to submit to any reasonable 9.25 examinations and evaluative procedures ordered by the commissioner or compensation 9.26 judge to determine the need for and details of a plan of rehabilitation, or refuses to participate 9.27 in rehabilitation evaluation as required by this section or does not make a good faith effort 9.28 to participate in a rehabilitation plan. A discontinuance under this section is governed by 9.29 sections 176.238 and 176.239. 9.30

9.31 (b) Once the employer or insurer has accepted liability for a claim and a rehabilitation 9.32 plan has been approved, the employer or insurer may not discontinue payment of 9.33 rehabilitation services until notice has been filed with the commissioner and served on the

9.34 qualified rehabilitation consultant, the employee, and the attorney representing the employee,

10.1 <u>if any. The notice shall state the date of intended discontinuance and set forth a statement</u>

10.2 of facts clearly indicating the reason for the action. Copies of whatever medical reports or

- 10.3 other written reports in the employer's or insurer's possession which are relied on for the
- 10.4 discontinuance shall be attached to the notice.
- 10.5 **EFFECTIVE DATE.** This section is effective August 1, 2024.

10.6 Sec. 8. Minnesota Statutes 2022, section 176.104, subdivision 1, is amended to read:

Subdivision 1. Dispute. If there exists a dispute regarding medical causation or whether 10.7 an injury arose out of and in the course and scope of employment and an employee is 10.8 otherwise eligible for rehabilitation services under section 176.102 prior to determination 10.9 of liability, the employee shall be referred by the commissioner to the department's Vocational 10.10 Rehabilitation Unit which shall provide rehabilitation consultation if appropriate. If the 10.11 sole dispute is regarding discontinuance of compensation, an employee eligible for 10.12 rehabilitation services may be referred to the Vocational Rehabilitation Unit only after the 10.13 10.14 employee or employer has filed an objection under section 176.238, subdivision 6, to the administrative decision on discontinuance. The services provided by the department's 10.15 10.16 Vocational Rehabilitation Unit and the scope and term of the rehabilitation are governed 10.17 by section 176.102 and rules adopted pursuant to that section. Rehabilitation costs and services under this subdivision shall be monitored by the commissioner. 10.18

10.19 **EFFECTIVE DATE.** This section is effective August 1, 2024.

10.20 Sec. 9. Minnesota Statutes 2022, section 176.106, subdivision 4, is amended to read:

Subd. 4. Appearances. All parties shall appear either personally, by telephone, <u>by</u>
 <u>electronic means</u>, by representative, or by written submission. The commissioner's designee
 <u>or compensation judge</u> shall determine the <u>method of appearance and</u> issues in dispute based
 upon the information available at the conference.

10.25 Sec. 10. Minnesota Statutes 2022, section 176.129, subdivision 10, is amended to read:

Subd. 10. **Penalty.** Sums paid to the commissioner pursuant to this section shall be in the manner prescribed by the commissioner. The commissioner may impose a penalty payable to the commissioner for deposit in the assigned risk safety account of up to 15 percent of the amount due under this section but not less than \$1,000 in the event payment is not made or reports are not submitted in the manner prescribed. In addition to a penalty under this subdivision, in the event payment is not made within six months of the due date,

the commissioner shall refer the self-insured employer or insurer's file to the Department
of Commerce for consideration of license or permit revocation.

11.3 EFFECTIVE DATE. This section is effective for due dates on or after the day following 11.4 final enactment.

11.5 Sec. 11. Minnesota Statutes 2022, section 176.1292, subdivision 2, is amended to read:

11.6 Subd. 2. Payment of permanent total disability benefits to employees, dependents,

and legal heirs. (a) A payer is entitled to the relief described in subdivisions 3 and 4 only

if the payer complies with all of the conditions in paragraphs (b) to (d) for all of the payer's
permanently totally disabled employees and documents compliance according to the

11.10 procedures and forms established by the commissioner under subdivision 7.

11.11 (b) Except as provided in paragraph (e), the payer must:

(1) recharacterize supplementary benefits paid to all employees as permanent total
disability benefits if the supplementary benefits were paid because the permanent total
disability benefits were reduced by retirement benefits received by the employee;

(2) pay all permanently totally disabled employees, regardless of the date of injury, past
and future permanent total disability benefits calculated without any reduction for retirement
benefits received by the employees, from the date the employees' benefits were first reduced;
and

(3) for all deceased employees, pay the employees' dependents or, if none, the employees'
legal heirs, the permanent total disability benefits the deceased employees would have
received if the benefits had been calculated without any reduction for retirement benefits
received by the employees.

(c) A payer may take a credit against its obligations under paragraph (b), clauses (2) and(3), for:

(1) supplementary benefits previously paid to an employee that have been recharacterized
as permanent total disability benefits under paragraph (b), clause (1); and

11.27 (2) permanent total disability benefits previously paid to an employee.

(d) The payer must pay the permanent total disability benefits as provided in paragraphs
(b) and (c) within the time frames described in clauses (1) to (4). More than one time frame
may apply to a claim.

(1) No later than 150 days following May 30, 2017, the payer must begin paying the
recalculated permanent total disability benefit amounts to employees who are entitled to
ongoing permanent total disability benefits.

- (2) No later than 210 days following May 30, 2017, the payer must pay employees the
 amounts that past permanent total disability benefits were underpaid.
- (3) No later than 270 days following May 30, 2017, the payer must pay the employees'
 dependents or legal heirs the amounts that permanent total disability benefits were underpaid.

(4) The commissioner may waive payment under paragraphs (b) and (c) or extend these
time frames if the payer, after making a good-faith effort, is unable to: locate an employee;
identify or locate the dependents or legal heirs of a deceased employee; or locate

12.11 documentation to determine the amount of an underpayment.

12.12 (e) Paragraphs (a) to (d) do not apply if:

12.13 (1) the employee died before January 1, 2008;

12.14 (2) the employee's last permanent total disability benefit was paid before January 1,
12.15 2000;

(3) the employee's last permanent total disability benefit would have been paid before
January 1, 2000, if it had not been reduced by his or her the employee's retirement benefits;

(4) a stipulation for settlement, signed by the employee and approved by a compensation
judge, provided for a full, final, and complete settlement of permanent total disability benefits
under this chapter in exchange for a lump sum payment amount or a lump sum converted
to a structured annuity;

(5) a final court order, or a stipulation for settlement signed by the employee and approved
by a compensation judge, explicitly states the employee's permanent total disability benefits
may be reduced by specified retirement benefits. Paragraphs (a) to (d) apply if a court order
or stipulation for settlement is ambiguous about whether the employee's permanent total
disability benefits could be reduced by retirement benefits; or

(6) a final court order or a stipulation for settlement described in clause (4) or (5) was
vacated after May 31, 2017.

12.29 Sec. 12. Minnesota Statutes 2022, section 176.1292, subdivision 9, is amended to read:

Subd. 9. Failure to comply. (a) If a payer reports to the department that it has complied
with the requirements of subdivision 2, paragraphs (a) to (d), but the payer has not paid an

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employee, dependent, or legal heir, as required by subdivision 2, the payer is subject to thefollowing:

(1) the payer must issue payment to the employee, dependent, or legal heir within 14
days of the date the payer discovers the noncompliance or the date the department notifies
the payer of the noncompliance;

(2) the payer is not entitled to the relief provided in subdivisions 3 and 4 as applied to
the claim of the specific employee, dependent, or legal heir who was not paid as required
by subdivision 2;

(3) the special compensation fund may immediately begin collection of any assessmentsor over-reimbursement owed for the claim;

(4) if the commissioner determines that a payer's failure to comply under this subdivision
was not in good faith, the commissioner may assess a penalty, payable to the employee,
dependent, or legal heir, of up to 25 percent of the total permanent total disability benefits
underpaid; and

(5) if the payer is found after a hearing to be liable for increased or additional permanent total disability benefits because the employee's permanent total disability benefits were improperly reduced by his or her the employee's retirement benefits, the compensation judge shall assess a penalty against the payer, payable to the employee or dependent, up to the total amount of the permanent total disability benefits that were not paid pursuant to subdivision 2. The compensation judge may issue a penalty against the payer, up to the total amount of the permanent total disability benefits underpaid, payable to a legal heir.

(b) The penalties assessed under this subdivision are in addition to any other penalty
that may be, or is required to be, assessed under this chapter; however, the commissioner
shall not assess a penalty against a payer for late payment of permanent total disability
benefits if the employee's benefits have been paid and documented in accordance with
subdivision 2.

(c) If a payer and the special compensation fund have agreed to a list of employees
required to be paid under subdivision 2, this subdivision does not apply to any claim with
a date of injury before October 1, 1995, that is not on the agreed-upon list.

13.30 Sec. 13. Minnesota Statutes 2023 Supplement, section 176.135, subdivision 7, is amended13.31 to read:

13.32 Subd. 7. Medical bills and records. (a) Health care providers shall submit to the insurer
13.33 an itemized statement of charges in the standard electronic transaction format when required

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by section 62J.536 or, if there is no prescribed standard electronic transaction format, on a 14.1 billing form prescribed by the commissioner. Health care providers shall also submit copies 14.2 of medical records or reports that substantiate the nature of the charge and its relationship 14.3 to the work injury. Pursuant to Minnesota Rules, part 5219.0300, health care providers may 14.4 charge for copies of any records or reports that are in existence and directly relate to the 14.5 items for which payment is sought under this chapter. The commissioner shall adopt, by 14.6 rule, a schedule of reasonable charges that will apply to charges not covered by paragraphs 14.7 14.8 (d) and (e).

A health care provider shall not collect, attempt to collect, refer a bill for collection, or
commence an action for collection against the employee, employer, or any other party until
the information required by this section has been furnished.

A United States government facility rendering health care services to veterans is not
subject to the uniform billing form requirements of this subdivision.

(b) For medical services provided under this section, the codes from the International 14.14 Classification of Diseases, Tenth Edition, Clinical Modification/Procedure Coding System 14.15 (ICD-10), must be used to report medical diagnoses and hospital inpatient procedures when 14.16 required by the United States Department of Health and Human Services for federal 14.17programs. The commissioner must replace the codes from the International Classification 14.18 of Diseases, Ninth Edition, Clinical Modification/Procedure Coding System (ICD-9), with 14.19 equivalent ICD-10 codes wherever the ICD-9 codes appear in rules adopted under this 14.20 chapter. The commissioner must use the General Equivalence Mappings established by the 14.21 Centers for Medicare and Medicaid Services to replace the ICD-9 diagnostic codes with 14.22 ICD-10 codes in the rules. 14.23

(c) The commissioner shall amend rules adopted under this chapter as necessary to
implement the ICD-10 coding system in paragraph (b). The amendments shall be adopted
by giving notice in the State Register according to the procedures in section 14.386, paragraph
(a). The amended rules are not subject to expiration under section 14.386, paragraph (b).

(d) The requirements in this paragraph and paragraph (e) apply to each request for copies
of existing medical records <u>fulfilled by a health care provider or the health care provider's</u>
<u>agent that are required to be maintained in electronic format by state or federal law.</u>

(1) If an authorized requestor of copies of medical records submits a written request for
advance notice of the cost of the copies requested, the health care provider must notify the
requestor of the estimated cost before sending the copies. If the requestor approves the cost
and copies of the records are provided, the payment is the applicable fee under paragraph

(e). If the requestor does not pay for the records, the health care provider may charge a fee,which must not exceed \$10.

(2) A health care provider shall not require prepayment for the cost of copies of medical
records under this paragraph or Minnesota Rules, chapter 5219, unless there is an outstanding
past-due invoice for the requestor concerning a previous request for records from the health
care provider.

15.7 (3) A health care provider shall provide copies of medical records in electronic format.

(4) The charges under paragraph (e) include any fee for retrieval, download, or otherdelivery of records.

15.10 (e) For any copies of electronic records provided under paragraph (d), a health care

15.11 provider <u>or the health care provider's agent may not charge more than a total of:</u>

15.12 (1) \$10 if there are no records available;

15.13 (2) \$30 for copies of records of up to 25 pages;

- 15.14 (3) \$50 for copies of records of up to 100 pages;
- 15.15 (4) \$50, plus an additional 20 cents per page for pages 101 and above; or

15.16 (5) \$500 for any request.

15.17 (f) The commissioner may assess a penalty against a health care provider for each

15.18 violation of this section by the health care provider or the health care provider's agent of

15.19 **\$500**, payable to the assigned risk safety account.

15.20 **EFFECTIVE DATE.** This section is effective August 1, 2024.

15.21 Sec. 14. Minnesota Statutes 2022, section 176.137, subdivision 2, is amended to read:

15.22Subd. 2. Cost. The pecuniary liability of an employer for remodeling or alteration15.23required by this section is limited to prevailing costs in the community for remodeling or15.24alteration of that type. The costs of obtaining the architectural certification and supervision15.25required by this section, or the costs of obtaining approval by a certified building official15.26or certified accessibility specialist under subdivision 4, paragraph (b), clause (3), are included15.27in the \$75,000 \$150,000 limit in subdivision 5.

15.28 EFFECTIVE DATE. This section is effective for dates of injury on or after October
 15.29 <u>1, 2024.</u>

16.1

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Subd. 5. Limitation. An employee is limited to \$75,000 \$150,000 under this section for
each personal injury.

16.4 EFFECTIVE DATE. This section is effective for dates of injury on or after October 16.5 1, 2024.

Sec. 16. Minnesota Statutes 2023 Supplement, section 176.155, subdivision 1, is amended
to read:

Subdivision 1. Employer's physician. (a) The injured employee must submit to 16.8 examination by the employer's physician, if requested by the employer, and at reasonable 16.9 times thereafter upon the employer's request. Examinations shall not be conducted in hotel 16.10 or motel facilities. The examination must be scheduled at a location within 150 miles of the 16.11 employee's residence unless the employer can show cause to the department office to order 16.12 an examination at a location further from the employee's residence. The employee is entitled 16.13 upon request to have a personal physician or witness present at any such examination. Each 16.14 party shall defray the cost of that party's physician. 16.15

(b) Any report or written statement made by the employer's physician as a result of an
examination of the employee, regardless of whether the examination preceded the injury
or was made subsequent to the injury or whether litigation is pending, must be served upon
the employee and the attorney representing the employee, if any, no later than 14 calendar
days within the issuance of the report or written statement.

(c) The employer shall pay reasonable travel expenses incurred by the employee in
attending the examination including mileage, parking, and, if necessary, lodging and meals.
The employer shall also pay the employee for any lost wages resulting from attendance at
the examination.

(d) A self-insured employer or insurer who is served with a claim petition pursuant to 16.25 section 176.271, subdivision 1, or 176.291, shall schedule any necessary examinations of 16.26 16.27 the employee, if an examination by the employer's physician or health care provider is necessary to evaluate benefits claimed. The examination shall be completed and the report 16.28 of the examination shall be served on the employee and filed with the commissioner within 16.29 120 days of service of the claim petition. Any request for a good cause extension pursuant 16.30 to paragraph (e) must be made within 120 days of service of the claim petition, except that 16.31 a request may be made after 120 days of service of a claim petition in the following 16.32 16.33 circumstances:

- 17.1 (1) a change to the employee's claim regarding the nature and extent of the injury;
- 17.2 (2) a change to the permanency benefits claimed by the employee, including a change17.3 in permanent partial disability percentage;
- 17.4 (3) a new claim for indemnity benefits; or
- 17.5 (4) the employment relationship is not admitted by the uninsured employer.

(e) No evidence relating to the examination or report shall be received or considered by 17.6 17.7 the commissioner, a compensation judge, or the court of appeals in determining any issues unless the report has been served and filed as required by this section, unless a written 17.8 extension has been granted by the commissioner or compensation judge. The commissioner 17.9 or a compensation judge shall extend the time for completing the adverse examination and 17.10 filing the report upon good cause shown. The extension must not be for the purpose of delay 17.11 and the insurer must make a good faith effort to comply with this subdivision. Good cause 17.12 shall include but is not limited to: 17.13

(1) that the extension is necessary because of the limited number of physicians or health
care providers available with expertise in the particular injury or disease, or that the extension
is necessary due to the complexity of the medical issues, or

(2) that the extension is necessary to gather additional information which was not includedon the petition as required by section 176.291.

17.19 Sec. 17. Minnesota Statutes 2022, section 176.155, subdivision 2, is amended to read:

Subd. 2. Neutral physician. In each case of dispute as to the injury the commissioner 17.20 of labor and industry, or in case of a hearing the compensation judge conducting the hearing, 17.21 or the Workers' Compensation Court of Appeals if the matter is before it, may with or 17.22 without the request of any interested party, designate a neutral physician to make an 17.23 examination of the injured worker and report the findings to the commissioner of labor and 17.24 industry, compensation judge, or the Workers' Compensation Court of Appeals, as the case 17.25 may be; provided that the request of the interested party must comply with the rules of the 17.26 commissioner of labor and industry and, the office, or the Workers' Compensation Court 17.27 of Appeals, regulating the proper time and forms for the request, and further provided that 17.28 when an interested party requests, not later than 30 days prior to a scheduled prehearing 17.29 conference, that a neutral physician be designated, the compensation judge shall make such 17.30 a designation. When a party has requested the designation of a neutral physician prior to a 17.31 prehearing conference, that party may withdraw the request at any time prior to the hearing. 17.32 The commissioner of labor and industry, compensation judge, or the Workers' Compensation 17.33

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Court of Appeals, as the case may be, may request the neutral physician to answer any 18.1 particular question with reference to the medical phases of the case, including questions 18.2 calling for an opinion as to the cause and occurrence of the injury insofar as medical 18.3 knowledge is relevant in the answer. A copy of the signed certificate of the neutral physician 18.4 shall be mailed to the parties in interest and either party, within five days from date of 18.5 mailing, may demand that the physician be produced for purposes of cross-examination. 18.6 The signed certificate of a neutral physician is competent evidence of the facts stated therein. 18.7 The expense of the examination shall be paid as ordered by the commissioner of labor and 18.8 industry, compensation judge, or the Workers' Compensation Court of Appeals. 18.9

18.10 Sec. 18. Minnesota Statutes 2022, section 176.231, subdivision 9a, is amended to read:

18.11 Subd. 9a. Access to division file without an authorization; attorney access. (a) Access 18.12 to the division file established for a specific claimed date or dates of injury under this chapter 18.13 is allowed without an authorization from the employee, employer, or insurer, as described 18.14 in clauses (1) to (7):

(1) an employee, as described in subdivision 9, paragraph (c), has access to the division
file established for the employee's claimed date or dates of injury;

18.17 (2) an employer and insurer have access to the division file for a workers' compensation18.18 claim to which the employer and insurer are parties;

(3) the Department of Administration under section 13.43, subdivision 18, the assigned
risk plan under chapter 79, the special compensation fund established under section 176.129,
the self-insurers security fund under chapter 79A, and the Minnesota insurance guaranty
association under chapter 60C have access to all of the documents in the division file for a
claim to which they are a party or are otherwise providing, paying, or reimbursing workers'
compensation benefits under this chapter;

(4) a person who has filed a motion to intervene in a pending dispute at an agency has
access to the documents in the division file that are filed in connection with the dispute in
which the person has filed a motion to intervene;

(5) a registered rehabilitation provider assigned to provide rehabilitation services to an
employee has access to the documents in the division file that are filed in connection with
the employee's vocational rehabilitation or a dispute about vocational rehabilitation under
section 176.102;

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(6) a third-party administrator licensed under section 60A.23, subdivision 8, has access
to the division file for a claim it has contracted to administer on behalf of any of the entities
listed in this subdivision; and

(7) the program administrator for a collective bargaining agreement approved by the
commissioner under section 176.1812 has access to the division file for a claim that is
covered by the agreement.

(b) An attorney who has filed with the commissioner in CAMPUS a notice of 19.7 representation of a person or entity listed in paragraph (a) has the same access to documents 19.8 in the division file that the represented person or entity has, unless the attorney specifies 19.9 19.10 when filing the notice that access should be limited. If the attorney represents an employee as described in subdivision 9, paragraph (c), one of the following documents signed by the 19.11 employee must be attached to the notice: a written authorization, a retainer agreement, or 19.12 a document initiating or responding to a workers' compensation dispute filed under this 19.13 chapter. 19.14

(c) If the attorney's access is not limited by an authorization, notice of representation,
or the represented person or entity's access under paragraph (a), the attorney's access
continues until one of the following occurs, whichever is later:

19.18 (1) one year after an authorization is filed;

19.19 (2) <u>five three</u> years after the date a retainer agreement or notice of representation was
19.20 filed where no dispute has been initiated; or

(3) five years after the date the attorney filed a document initiating, responding to, or
intervening in a workers' compensation dispute under this chapter; a retainer agreement or
notice of representation was filed where a dispute has been initiated by filing a document
specified in section 176.2611, subdivision 4.

(4) five years after the date an award on stipulation was served and filed if the award
was related to a dispute in which the attorney represented a party in paragraph (a); or

19.27 (5) five years after the date a final order or final penalty assessment was issued as defined
 19.28 in subdivision 9c, paragraph (a), clause (3), if the final order or penalty assessment was
 19.29 related to a dispute in which the attorney represented a party listed in paragraph (a).

19.30 Notwithstanding the time frames in clauses (1) to (5)(3), an attorney no longer has access 19.31 to the division file as of the date the attorney files a notice of withdrawal from the case, or 19.32 the date the department receives written notice that the authorization is withdrawn or that 19.33 the attorney no longer represents the person. However, if a dispute over an attorney's fees

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is pending at the office, the attorney has continued access to the division file until a final
order or award on stipulation resolving the attorney fee dispute is received by the
commissioner.

(d) The division may provide the worker identification number assigned under section
176.275, subdivision 1, without a signed authorization required under paragraph (b) to an:

20.6 (1) attorney who represents one of the persons described in paragraph (b);

20.7 (2) attorney who represents an intervenor or potential intervenor under section 176.361;

20.8 (3) intervenor; or

20.9 (4) employee's assigned qualified rehabilitation consultant under section 176.102.

20.10 (e) If the department receives information that indicates that identifying or contact 20.11 information for an employee, dependent, employer, insurer, or third-party administrator for 20.12 an employer or insurer is erroneous or no longer accurate, the department may update the 20.13 information in all relevant workers' compensation files to reflect:

(1) the current and accurate name, address, Social Security number or worker
identification number, and contact information for an employee, unless the employee notifies
the commissioner in writing that the information in a workers' compensation file for a
specific date of injury may not be updated; and

20.18 (2) the current and accurate name, address, and contact information for an employer,
20.19 insurer, or third-party administrator for an employer or insurer.

20.20 **EFFECTIVE DATE.** This section is effective August 1, 2024.

20.21 Sec. 19. Minnesota Statutes 2022, section 176.238, subdivision 1, is amended to read:

Subdivision 1. Necessity for notice and showing; contents. Except as provided in 20.22 section 176.221, subdivision 1, once the employer or insurer has commenced payment of 20.23 benefits, the employer may not discontinue payment of compensation until it provides the 20.24 employee with notice in writing of intention to do so. A copy of the notice shall be filed 20.25 with the division by the employer or insurer. The notice to the employee and the copy to 20.26 the division shall state the date of intended discontinuance and set forth a statement of facts 20.27 clearly indicating the reason for the action. Copies of whatever medical reports or other 20.28 written reports in the employer's or insurer's possession which are relied on for the 20.29 discontinuance shall be attached to the notice. 20.30

20.31 **EFFECTIVE DATE.** This section is effective August 1, 2024.

- 21.1 Sec. 20. Minnesota Statutes 2022, section 176.238, subdivision 2, is amended to read:
- Subd. 2. Employer's Liability for compensation; discontinuance. (a) If the reason for discontinuance is that the employee has returned to work, temporary total compensation may be discontinued effective the day the employee returned to work. Written notice shall be served on the employee and filed with the division within 14 days of the date the insurer or self-insured employer or insurer has notice that the employee has returned to work.
- (b) If the reason for the discontinuance is for other than that the employee has returned to work, the liability of the employer <u>or insurer</u> to make payments of compensation continues until the copy of the notice and reports have been filed with the division. When the division has received a copy of the notice of discontinuance, the statement of facts and available medical reports, the duty of the employer <u>or insurer</u> to pay compensation is suspended,
- except as provided in the following subdivisions and in section 176.239.
- 21.13 **EFFECTIVE DATE.** This section is effective August 1, 2024.
- 21.14 Sec. 21. Minnesota Statutes 2022, section 176.238, subdivision 3, is amended to read:

21.15 Subd. 3. **Interim administrative decision.** An employee may request the commissioner 21.16 <u>office</u> to schedule an administrative discontinuance conference to obtain an expedited interim 21.17 decision concerning the discontinuance of compensation. Procedures relating to 21.18 discontinuance conferences are set forth in section 176.239.

21.19 **EFFECTIVE DATE.** This section is effective August 1, 2024.

21.20 Sec. 22. Minnesota Statutes 2022, section 176.238, subdivision 4, is amended to read:

Subd. 4. Objection to discontinuance. An employee may serve on the employer and
insurer and file with the commissioner office an objection to discontinuance if:

21.23 (1) the employee elects not to request an administrative conference under section 176.239;

- 21.24 (2) if the employee fails to timely proceed under that section;
- 21.25 (3) if the discontinuance is not governed by that section; or
- 21.26 (4) if the employee disagrees with the interim administrative decision issued under that

21.27 section. Within ten calendar days after receipt of an objection to discontinuance, the

21.28 commissioner office shall refer schedule the matter to the office for a de novo hearing before

a compensation judge to determine the right of the employee to further compensation.

21.30 **EFFECTIVE DATE.** This section is effective August 1, 2024.

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22.1 Sec. 23. Minnesota Statutes 2022, section 176.238, subdivision 5, is amended to read:

22.2 Subd. 5. **Petition to discontinue.** Instead of filing a notice of discontinuance, an employer 22.3 <u>or insurer</u> may serve on the employee and file with the <u>commissioner office</u> a petition to 22.4 discontinue compensation. A petition to discontinue compensation may also be used when 22.5 the employer <u>or insurer</u> disagrees with the interim administrative decision under section 22.6 176.239. Within ten calendar days after receipt of a petition to discontinue, the <u>commissioner</u> 22.7 <u>office</u> shall <u>refer</u> schedule the matter to the office for a de novo hearing before a compensation 22.8 judge to determine the right of the employer <u>or insurer</u> to discontinue compensation.

The petition shall include copies of medical reports or other written reports or evidence 22.9 22.10 in the possession of the employer or insurer bearing on the physical condition or other present status of the employee which relate to the proposed discontinuance. The employer 22.11 or insurer shall continue payment of compensation until the filing of the decision of the 22.12 compensation judge and thereafter as the compensation judge, court of appeals, or the 22.13 supreme court directs, unless, during the interim, occurrences arise justifying the filing of 22.14 a notice under subdivision 1 or 2 and the discontinuance is permitted by the commissioner's 22.15 order or no conference under section 176.239 is requested. 22.16

22.17 Sec. 24. Minnesota Statutes 2022, section 176.238, subdivision 6, is amended to read:

Subd. 6. Expedited hearing before compensation judge. (a) A hearing before a
compensation judge shall be held within 60 calendar days after the office receives the file
from the commissioner filing of the objection to discontinuance or petition to discontinue
if:

(1) an objection to discontinuance has been filed under subdivision 4 within 60 calendar
days after the notice of discontinuance was filed and where no administrative conference
has been held;

(2) an objection to discontinuance has been filed under subdivision 4 within 60 calendar
days after an interim administrative decision under this section has been issued;

(3) a petition to discontinue has been filed by the <u>employer or</u> insurer in lieu of filing a
notice of discontinuance; or

(4) a petition to discontinue has been filed within 60 calendar days after the interimadministrative decision under this section has been issued.

(b) If the petition or objection is filed later than the deadlines listed above, the expedited
procedures in this section apply only where the employee is unemployed at the time of filing
the objection and shows, to the satisfaction of the chief administrative law judge, by sworn

affidavit, that the failure to file the objection within the deadlines was due to some infirmity
or incapacity of the employee or to circumstances <u>that are</u> beyond the employee's control.
The hearing shall be limited to the issues raised by the notice or petition unless all parties
agree to expanding the issues. If the issues are expanded, the time limits for hearing and
issuance of a decision by the compensation judge under this subdivision shall not apply.

(c) Once a hearing date has been set, a continuance of the hearing date will be grantedonly under the following circumstances:

(1) the employer <u>or insurer</u> has agreed, in writing, to a continuation of the payment of
benefits pending the outcome of the hearing; or

(2) the employee has agreed, in a document signed by the employee, that benefits maybe discontinued pending the outcome of the hearing.

(d) Absent a clear showing of surprise at the hearing or the unexpected unavailability
of a crucial witness, all evidence must be introduced at the hearing. If it is necessary to
accept additional evidence or testimony after the scheduled hearing date, it must be submitted
no later than 14 days following the hearing, unless the compensation judge, for good cause,
determines otherwise.

(e) When a compensation judge issued the interim administrative decision, the de novo
hearing under paragraph (a), clauses (2) and (4), must be held before a compensation judge
other than the compensation judge who presided over the administrative conference. The
compensation judge shall issue a decision pursuant to this subdivision within 30 days
following the close of the hearing record.

23.22 **EFFECTIVE DATE.** This section is effective August 1, 2024.

23.23 Sec. 25. Minnesota Statutes 2022, section 176.238, subdivision 7, is amended to read:

Subd. 7. Order of compensation judge. If the order of the compensation judge confirms 23.24 a discontinuance of compensation, the service and filing of the order relieves the employer 23.25 and insurer from further liability for compensation subject to the right of review provided 23.26 by this chapter, and to the right of the compensation judge to set aside the order at any time 23.27 prior to the review and to grant a new hearing pursuant to this chapter. Once an appeal to 23.28 the Workers' Compensation Court of Appeals is filed, a compensation judge may not set 23.29 aside the order. In any appeal from the compensation judge's decision under this section, 23.30 the court of appeals shall conclude any oral arguments by the parties within 60 days following 23.31 certification of the record from the office. 23.32

23.33 **EFFECTIVE DATE.** This section is effective August 1, 2024.

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24.1 Sec. 26. Minnesota Statutes 2022, section 176.238, subdivision 10, is amended to read:

Subd. 10. **Fines; violation.** An employer <u>or insurer</u> who violates requirements set forth in this section or section 176.239 is subject to a fine of up to \$1,000 \$2,500 for each violation payable to the commissioner for deposit in the assigned risk safety account.

24.5 **EFFECTIVE DATE.** This section is effective August 1, 2024.

24.6 Sec. 27. Minnesota Statutes 2022, section 176.239, subdivision 2, is amended to read:

Subd. 2. Request for administrative conference. If the employee disagrees with the
notice of discontinuance, the employee may request that the commissioner office schedule
an administrative conference to be conducted pursuant to this section.

If temporary total, temporary partial, or permanent total compensation has been 24.10 discontinued because the employee has returned to work, and the employee believes benefits 24.11 should be reinstated due to occurrences during the initial 14 calendar days of the employee's 24.12 24.13 return to work, the employee's request must be received by the commissioner office within 30 calendar days after the employee has returned to work. If the employer has failed to 24.14 properly serve and file the notice as provided in section 176.238, the employee's time period 24.15 to request an administrative conference is extended up to and including the 40th calendar 24.16 day subsequent to the return to work. 24.17

If temporary total, temporary partial, or permanent total compensation has been discontinued for a reason other than a return to work, the employee's request must be received by the commissioner office within 12 calendar days after the notice of discontinuance is received by the commissioner. If the employer discontinues compensation without giving notice as required by section 176.238, the employee's time period for requesting an administrative conference is extended up to and including the 40th calendar day after which the notice should have been served and filed.

The commissioner <u>office</u> may determine that an administrative conference is not necessary under this section for reasons prescribed by rule and permit the employer to discontinue compensation, subject to the employee's right to file an objection to discontinuance under section 176.238, subdivision 4.

In lieu of making a written request for an administrative conference with the
commissioner office, an employee may make an in-person or telephone request for the
administrative conference.

Sec. 28. Minnesota Statutes 2022, section 176.239, subdivision 3, is amended to read: 25.1 Subd. 3. Payment through date of discontinuance conference. (a) If a notice of 25.2 discontinuance has been served and filed due to the employee's return to work, and the 25.3 employee requests a conference, the employer is not obligated to reinstate or otherwise pay 25.4 temporary total, temporary partial, or permanent total compensation unless so ordered by 25.5 the commissioner compensation judge. 25.6

(b) When an administrative conference is conducted under circumstances in which the 25.7 employee has not returned to work, compensation shall be paid through the date of the 25.8 administrative conference unless: 25.9

(1) the employee has returned to work since the notice was filed; 25.10

(2) the employee fails to appear at the scheduled administrative conference; or 25.11

(3) due to unusual circumstances or pursuant to the rules of the division, the commissioner 25.12 compensation judge orders otherwise. 25.13

Sec. 29. Minnesota Statutes 2022, section 176.239, subdivision 4, is amended to read: 25.14

25.15 Subd. 4. Scheduling of conference. If the employee timely requests an administrative conference under this section, the commissioner office shall schedule a conference within 25.16 ten calendar days after receiving the request. 25.17

Sec. 30. Minnesota Statutes 2022, section 176.239, subdivision 5, is amended to read: 25.18

Subd. 5. Continuances. An employee or employer may request a continuance of a 25.19 scheduled administrative conference. If the commissioner compensation judge determines 25.20 there is good cause for a continuance, the commissioner compensation judge may grant the 25.21 continuance for not more than 14 calendar days unless the parties agree to a longer 25.22 continuance. If compensation is payable through the day of the administrative conference 25.23 pursuant to subdivision 3, and the employee is granted a continuance, compensation need 25.24 not be paid during the period of continuance unless the commissioner compensation judge 25.25 25.26 orders otherwise. If the employer is granted a continuance and compensation is payable through the day of the administrative conference pursuant to subdivision 3, then compensation 25.27 shall continue to be paid during the continuance. The commissioner compensation judge 25.28 may grant an unlimited number of continuances provided that payment of compensation 25.29 during any continuance is subject to this subdivision. 25.30

Sec. 31. Minnesota Statutes 2023 Supplement, section 176.239, subdivision 6, is amended
to read:

Subd. 6. Scope of the administrative decision. If benefits have been discontinued due to the employee's return to work, the commissioner compensation judge shall determine whether, as a result of occurrences arising during the initial 14 calendar days after the return to work, the employee is entitled to additional payment of temporary total, temporary partial, or permanent total compensation.

If periodic payment of temporary total, temporary partial, or permanent total
 compensation has been discontinued for reasons other than a return to work, the commissioner
 <u>compensation judge</u> shall determine whether the employer has reasonable grounds to support
 the discontinuance. Only reasons specified on the notice of discontinuance shall provide a
 basis for a discontinuance, unless the parties agree otherwise.

26.13 Sec. 32. Minnesota Statutes 2023 Supplement, section 176.239, subdivision 7, is amended
26.14 to read:

Subd. 7. Interim administrative decision. After considering the information provided by the parties at the administrative conference and exhibits filed by the parties with the office, the <u>commissioner compensation judge</u> shall issue to all interested parties a written decision on payment of compensation. Administrative decisions under this section shall be issued within five working days from the close of the conference. Disputed issues of fact shall be determined by a preponderance of the evidence.

26.21 Sec. 33. Minnesota Statutes 2022, section 176.239, subdivision 9, is amended to read:

26.22 Subd. 9. Administrative decision binding; effect of subsequent determinations. The 26.23 interim administrative decision under this section is binding upon the parties and the rights 26.24 and obligations of the parties are governed by the decision.

If an objection or a petition is filed under subdivision 8, the interim administrative decision remains in effect and the parties' obligations or rights to pay or receive compensation are governed by the interim administrative decision, pending a determination by a compensation judge pursuant to section 176.238, subdivision 6.

If the commissioner has denied a discontinuance or otherwise ordered commencement of benefits has been denied, the employer shall continue paying compensation until an order is issued by a compensation judge, the court of appeals, or the supreme court, allowing compensation to be discontinued, or unless, during the interim, occurrences arise justifying

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the filing of a notice under section 176.238, subdivision 1 or 2, and the discontinuance is permitted by the <u>commissioner compensation judge</u> or no conference is requested. If a compensation judge <u>after a de novo hearing</u>, the court of appeals, or the supreme court later rules that the discontinuance was proper or that benefits were otherwise not owing the employee, payments made under the interim administrative decision and order shall be treated as an overpayment which the insurer may recover from the employee subject to section 176.179.

If the <u>commissioner compensation judge</u> has permitted a discontinuance or otherwise not ordered commencement of benefits, the service and filing of the administrative decision relieves the employer from further liability for compensation subject to the right of review afforded by this chapter.

27.12 Sec. 34. Minnesota Statutes 2022, section 176.239, subdivision 10, is amended to read:

Subd. 10. **Application of section.** This section is applicable to all cases in which the employee's request for an administrative conference is received by the division office after July 1, 1987, even if the injury occurred prior to July 1, 1987. This section shall not apply to those employees who have been adjudicated permanently totally disabled, or to those employees who have been administratively determined pursuant to division rules to be permanently totally disabled.

27.19 Sec. 35. Minnesota Statutes 2022, section 176.253, subdivision 2, is amended to read:

Subd. 2. General. Where this chapter requires an employer to perform an act, the insurer of the employer may perform that act. Where the insurer acts in <u>on</u> behalf of the employer, the employer is responsible for the authorized acts of the insurer and for any delay, failure, or refusal of the insurer to perform the act. This section does not relieve the employer from any penalty or forfeiture which this chapter imposes on the employer.

27.25 Sec. 36. Minnesota Statutes 2022, section 176.2611, subdivision 7, is amended to read:

Subd. 7. Workers' Compensation Court of Appeals. The Workers' Compensation
Court of Appeals has authority to amend its rules of procedure to reflect electronic filing
with the office under this section for purposes of section 176.421, subdivision 5, and to
allow electronic filing with the court under section 176.285. The court may amend its rules
using the procedure in section 14.389. Section 14.125 does not apply to the agency's
rulemaking authority under this section and sections 176.281, paragraph (d), and 176.285,
subdivision 2a.

28.1

EFFECTIVE DATE. This section is effective the day following final enactment.

28.2 Sec. 37. Minnesota Statutes 2022, section 176.271, subdivision 1, is amended to read:

Subdivision 1. Written petition. Unless otherwise provided by this chapter or by the
commissioner, all proceedings under this chapter are initiated by the filing of a written
petition on a prescribed form with the commissioner at the commissioner's principal office
department or office. All claim petitions shall include the information required by section
176.291.

28.8 Sec. 38. Minnesota Statutes 2022, section 176.275, subdivision 1, is amended to read:

Subdivision 1. Filing. If a document is required to be filed by this chapter or any rules 28.9 adopted pursuant to authority granted by this chapter, the filing shall be completed upon 28.10 acceptance of the document by the agency. Any document that lacks information required 28.11 by statute or rule, or is not filed in the manner and format required by this chapter, may be 28.12 rejected. A document rejected for any of these reasons is not considered filed. An agency 28.13 is not required to maintain, and may destroy, a duplicate of a document that has already 28.14 been filed. If a workers' compensation identification number has been assigned by the 28.15 department, it must be substituted for the Social Security number on a document. The 28.16 commissioner may request additional proof of an injured worker's identity before assigning 28.17 an identification number. 28.18

A notice or other document required to be served or filed at either the department, the office, or the court of appeals which is inadvertently served or filed at the wrong one of these agencies by an unrepresented employee shall be deemed to have been served or filed with the proper agency. The receiving agency shall note the date of receipt of a document and shall forward the documents to the proper agency no later than two working days following receipt.

28.25 **EFFECTIVE DATE.** This section is effective the day following final enactment.

28.26 Sec. 39. Minnesota Statutes 2022, section 176.285, subdivision 2, is amended to read:

Subd. 2. Electronic service and filing on an agency. (a) Where a statute or rule authorizes or requires a document to be filed with or served on the office, the document may must be filed electronically if electronic filing is authorized by the office and if the document is transmitted in the manner and in the format specified by the office. Where a statute or rule authorizes or requires a document to be filed with or served on the commissioner or the Workers' Compensation Court of Appeals, the document must be filed

electronically in the manner and format specified by the commissioner. An employee must
not be required to file a document electronically at any agency unless the document is filed
by an attorney on behalf of the employee.

(b) If electronic filing of a document is authorized by the office or required under this
subdivision and a statute or rule requires a copy of the document to be provided or served
on another person or party, the document filed electronically with the agency and provided
or served on the other person or party must contain the same information in the format
required by the agency.

29.9 (c) For purposes of serving on and filing with an agency under this chapter, "electronic"
29.10 and "electronically" excludes facsimile and email unless authorized by the agency. A
29.11 document is deemed filed with an agency on the business day it is accepted for filing on or
29.12 before 11:59 p.m.

29.13 Sec. 40. Minnesota Statutes 2022, section 176.285, subdivision 2a, is amended to read:

Subd. 2a. Electronic signatures. (a) Where a statute or rule authorizes or requires a 29.14 person's signature on a document to be filed with or served on an agency, the signature may 29.15 29.16 be an electronic signature, as defined by section 325L.02, or transmitted electronically, if authorized by the agency and if the signature is transmitted in the manner and format 29.17 specified by the agency. The commissioner may require that a document authorized or 29.18 required to be filed with the commissioner, department, or division be filed electronically 29.19 in the manner and format specified by the commissioner, except that an employee must not 29.20 be required to file a document electronically unless the document is filed by an attorney on 29.21 behalf of an employee. The department, Workers Compensation Court of Appeals, or court 29.22 office may adopt rules for the certification of signatures. Section 14.125 does not apply to 29.23 the rulemaking authority under this section. 29.24

(b) If a rehabilitation provider files a rehabilitation plan or other document that requires the signature of the employee, employer, or insurer pursuant to section 176.102, or rules adopted under section 176.102, the rehabilitation provider shall specify whether each party's signature has been obtained. The rehabilitation provider must retain the document with the original signature or signatures of the employee and insurer or self-insured employer for five years after the rehabilitation plan is closed and must make the signed document available to the commissioner or compensation judge upon request.

29.32 **EFFECTIVE DATE.** This section is effective the day following final enactment.

Sec. 41. Minnesota Statutes 2022, section 176.285, subdivision 2b, is amended to read: 30.1 Subd. 2b. Electronic service of documents on party through office case management 30.2 system or CAMPUS. (a) The office may serve a document electronically on a payer, 30.3 rehabilitation provider, or attorney. The office may serve a document on any other party if 30.4 the recipient agrees to receive it in an electronic format. The date of electronic service of a 30.5 document is the date the recipient is sent a document electronically, or the date the recipient 30.6 is notified that the document is available on a website, whichever occurs first. The office 30.7 and a party may electronically serve through the office's case management system a document 30.8 required to be served on a party or filed with the office on any person with an account in 30.9

30.10 the case management system.

30.11 (b) The commissioner, the Workers' Compensation Court of Appeals, and a party may
30.12 electronically serve through CAMPUS a document required to be served on a party or filed
30.13 with the commissioner on any person with an account in CAMPUS under section 176.2612.
30.14 Service through CAMPUS must be either by secure email or by emailing a notice that the
30.15 document may be accessed through a web portal. Service of a document through CAMPUS
30.16 on an attorney for a party is considered to be service on the party, except where service on
30.17 the employee is specifically required by this chapter.

30.18 (c) An employee must not be electronically served unless the employee has created an
 30.19 account and has agreed to accept electronic service through the office's case management
 30.20 system or CAMPUS.

30.21 (d) The date of electronic service of a document is the date the recipient is sent a
30.22 document electronically, or the date the recipient is notified that the document is available
30.23 on a website, whichever occurs first.

30.24 Sec. 42. Minnesota Statutes 2022, section 176.305, subdivision 1, is amended to read:

30.25 Subdivision 1. **Hearings on petitions.** The petitioner shall serve a copy of the petition 30.26 on each adverse party personally or by first class mail. A clear <u>and file a copy shall be filed</u> 30.27 with the office, together with an appropriate affidavit of service. <u>Service and filing must be</u> 30.28 made as provided under section 176.285, subdivisions 1 and 2.

30.29 Sec. 43. Minnesota Statutes 2022, section 176.321, subdivision 1, is amended to read:

30.30 Subdivision 1. Filing, service. Within $20 \underline{30}$ days after service of the petition, an adverse 30.31 party shall serve and file an answer to the petition. The party shall serve a copy of the answer 30.32 on the petitioner or the petitioner's attorney.

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31.1 Sec. 44. Minnesota Statutes 2022, section 176.321, subdivision 3, is amended to read:

Subd. 3. Extension of time in which to file answer. Upon showing of cause, the office 31.2 may extend the time in which to file an answer or reply for not more than 30 additional 31.3 days. The time to file an answer or reply may also be extended upon agreement of the 31.4 petitioner, and provided that the office must be notified in writing by the employer no later 31.5 than five days beyond the time required for the filing of the answer of the fact that an 31.6 agreement has been reached, including the length of the extension. Any case received by 31.7 the office that does not include an answer, written extension order, or written notification 31.8 of the extension agreement shall be immediately set for a pretrial conference and hearing 31.9 at the first available date under section 176.331. 31.10

31.11 Sec. 45. Minnesota Statutes 2022, section 176.322, is amended to read:

31.12 **176.322 DECISIONS BASED ON STIPULATED FACTS.**

If the parties agree to a stipulated set of facts and only legal issues remain, the 31.13 commissioner or compensation judge may determine the matter without a hearing based 31.14 upon the stipulated facts and the determination is appealable to the court of appeals pursuant 31.15 to sections 176.421 and 176.442. In any case where a stipulated set of facts has been 31.16 submitted pursuant to this section, upon receipt of the file or the stipulated set of facts the 31.17 chief administrative law judge shall immediately assign the case to a compensation judge 31.18 for a determination. The judge shall issue a determination within 60 days after receipt of 31.19 31.20 the stipulated facts.

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31.21 Sec. 46. Minnesota Statutes 2022, section 176.341, subdivision 6, is amended to read:
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Subd. 6. Significant financial hardship; expedited hearings. An employee may file
a request for an expedited hearing which must be granted upon a showing of significant
financial hardship. In determining whether a significant financial hardship exists,
consideration shall be given to whether the employee is presently employed, the employee's

income from all sources, the nature and extent of the employee's expenses and debts, whether
the employee is the sole support of any dependents, whether either foreclosure of homestead
property or repossession of necessary personal property is imminent, and any other matters
which have a direct bearing on the employee's ability to provide food, clothing, and shelter
for the employee and any dependents.

A request for an expedited hearing must be accompanied by a sworn affidavit of the employee providing facts necessary to satisfy the criteria for a significant financial hardship. The request may be made at the time a claim petition is filed or any time thereafter. Unless

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the employer objects to the request in the answer to the claim petition or within 20 30
calendar days of the filing of a request made subsequent to the filing of the claim petition,
the affidavit is a sufficient showing of significant financial hardship.

If a request for an expedited hearing has been served and filed, the commissioner or 32.4 compensation judge shall issue an order granting grant or denying deny the request, provided 32.5 that where the parties agree that significant financial hardship exists or no objection to the 32.6 request is timely filed, the request is automatically granted and the compensation judge or 32.7 32.8 commissioner need not issue an order. If it is denied, the matter will be returned to the regular calendar of cases and the request for an expedited hearing may be renewed at a 32.9 settlement conference. If no objection has been timely filed or if the request is granted, the 32.10 commissioner shall immediately refer the matter to the office to commence prehearing 32.11 procedures. 32.12

The calendar judge shall issue a prehearing order and notice of the date, time, and place for a prehearing conference which shall be set for no later than 45 days following the filing of the affidavit of significant financial hardship. The prehearing order shall require the parties to serve and file prehearing statements no later than five working days prior to the date set for the prehearing conference. The prehearing statements shall include those items listed in the joint rules of the division and the office which the calendar judge deems appropriate.

Following any prehearing conference and absent an agreement or stipulation from the parties, the commissioner or compensation judge shall issue an order establishing deadlines for the parties to complete their preparation for hearing and, after consultation with the calendar judge, establishing the date, time, and place for a hearing.

32.24 **EFFECTIVE DATE.** This section is effective August 1, 2024.

32.25 Sec. 47. Minnesota Statutes 2022, section 176.361, subdivision 1, is amended to read:

Subdivision 1. Right to intervene. A person who has an interest in any matter before 32.26 the Workers' Compensation Court of Appeals, or commissioner, or compensation judge 32.27 office such that the person may either gain or lose by an order or decision may intervene in 32.28 the proceeding by filing a motion in writing stating the facts which show the interest. The 32.29 32.30 commissioner is considered to have an interest and shall be permitted to intervene at the appellate level when a party relies in its claim or defense upon any statute or rule administered 32.31 by the commissioner, or upon any rule, order, requirement, or agreement issued or made 32.32 under the statute or rule. 32.33

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The commissioner may adopt rules, not inconsistent with this section to govern
intervention. The Workers' Compensation Court of Appeals shall adopt rules to govern the
procedure for intervention in matters before it. The office may adopt rules to govern the
procedure for intervention in matters before it.

If the Department of Human Services or the Department of Employment and Economic 33.5 Development seeks to intervene in any matter before the division, a compensation judge or 33.6 the Workers' Compensation Court of Appeals, a nonattorney employee of the department, 33.7 33.8 acting at the direction of the staff of the attorney general, may prepare, sign, serve and file motions for intervention and related documents, attend prehearing conferences, and 33.9 participate in matters before a compensation judge or the Workers' Compensation Court of 33.10 Appeals. Any other interested party may intervene using a nonattorney and may participate 33.11 in any proceeding to the same extent an attorney could. This activity shall not be considered 33.12 to be the unauthorized practice of law. An intervenor represented by a nonattorney shall be 33.13 deemed to be represented by an attorney for the purposes of the conclusive presumption of 33.14 section 176.521, subdivision 2. 33.15

33.16 Subdivisions 3 to 6 do not apply to the following proceedings conducted by the
33.17 Department of Labor and Industry or the office: mediation proceedings; discontinuance
33.18 conferences under section 176.239; or administrative conferences under section 176.106.

33.19 Sec. 48. Minnesota Statutes 2022, section 176.361, subdivision 4, is amended to read:

Subd. 4. Attendance by intervenor. A person who has submitted a timely written motion 33.20 to intervene, as required by subdivision 2, is not required to attend settlement or pretrial 33.21 conferences or the hearing, unless attendance is ordered by the compensation judge assigned 33.22 to the case, pursuant to a motion to require the intervenor's attendance filed by a party or 33.23 as a matter of the judge's discretion. A motion to require attendance must be served and 33.24 filed at least 20 days before a scheduled hearing proceeding, and the compensation judge 33.25 must serve and file an order granting or denying the motion at least ten days before a 33.26 scheduled hearing proceeding. If attendance is ordered, failure of the intervenor to attend 33.27 33.28 a proceeding either in person or, if approved by the compensation judge, by telephone or some other electronic medium, shall result in the denial of the claim for reimbursement 33.29 except upon a showing of good cause. If attendance has not been ordered, this subdivision 33.30 does not prohibit an intervenor from attending a conference or hearing in person, or from 33.31 requesting permission from the compensation judge to attend a conference or hearing by 33.32 33.33 telephone or other electronic medium.

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Subd. 7. Record of proceedings. At the division's office's own expense, the commissioner
office shall make a complete record of all <u>formal</u> proceedings before the commissioner and
shall provide a stenographer or an audio magnetic recording device to make the record of
the proceedings office.

The commissioner office shall furnish a transcript of these proceedings to any person 34.6 who requests it and who pays a reasonable charge which shall be set by the commissioner 34.7 office. Upon a showing of cause, the commissioner chief administrative law judge may 34.8 direct that a transcript be prepared without expense to the person requesting the transcript, 34.9 34.10 in which case the cost of the transcript shall be paid by the division office. Transcript fees received under this subdivision shall be paid to the Workers' Compensation Division account 34.11 in the state treasury and shall be annually appropriated to the division for the sole purpose 34.12 of providing a record and transcripts as provided in this subdivision. This subdivision does 34.13 not apply to any administrative conference or other proceeding before the commissioner 34.14 which may be heard de novo in another proceeding including but not limited to proceedings 34.15 under section 176.106 or 176.239. 34.16

34.17 Sec. 50. **EFFECTIVE DATE.**

34.18 Unless otherwise specified, this act is effective August 1, 2024.