

Workers' Compensation Modifications

2025 GENERAL SESSION

STATE OF UTAH

Chief Sponsor: Scott D. Sandall

House Sponsor: James A. Dunnigan

LONG TITLE

General Description:

This bill amends the Workers' Compensation Act.

Highlighted Provisions:

This bill:

- defines terms;
- expands the Labor Commission's authority to disclosures by health care providers;
- expands the Labor Commission's authority over fees for health care providers;
- expands the prohibition of balance billing for workers' compensation claims to health care providers; and
- makes technical changes.

Money Appropriated in this Bill:

None

Other Special Clauses:

None

Utah Code Sections Affected:

AMENDS:

34A-2-407, as last amended by Laws of Utah 2021, Chapter 64

Be it enacted by the Legislature of the state of Utah:

Section 1. Section **34A-2-407** is amended to read:

34A-2-407 . Reporting of industrial injuries -- Regulation of health care providers.

(1) As used in this section[, "physician" is as defined in Section 34A-2-111.] :

(a) "Balance billing" means charging an individual, on whose behalf a workers'

compensation insurance carrier or self-insured employer is obligated to pay covered medical services under this chapter or Chapter 3, Utah Occupational Disease Act, the amount calculated by subtracting the amount the workers' compensation insurance carrier or self-insured employer reimburses the health care provider for covered medical services from the amount the health care provider charges for the covered medical services.

(b) "Covered medical services" means medical services provided by a health care provider that are covered by workers' compensation medical benefits under this chapter or Chapter 3, Utah Occupational Disease Act.

(c) "Health care provider" means the same as that term is defined in Section 34A-2-111.

(d) "Hospital" means the same as that term is defined in Section 26B-2-219.

(e) "Physician" means the same as that term is defined in Section 34A-2-111.

(f) "Self-insured employer" means the same as that term is defined in Section 34A-2-201.5.

(2)(a) An employee sustaining an injury arising out of and in the course of employment shall provide notification to the employee's employer promptly of the injury.

(b) If the employee is unable to provide the notification required by Subsection (2)(a), the following may provide notification of the injury to the employee's employer:

- (i) the employee's next of kin; or
- (ii) the employee's attorney.

~~(c) [An employee claiming benefits under this chapter or Chapter 3, Utah Occupational Disease Act, shall comply with rules adopted by the commission regarding disclosure of medical records of the employee medically relevant to the industrial accident or occupational disease claim.]~~ An employee claiming benefits under this chapter, or Chapter 3, Utah Occupational Disease Act, shall comply with the commission's requirements for disclosure of medical records for a work-related injury claim.

(3)(a) An employee is barred for any claim of benefits arising from an injury if the employee fails to notify within the time period described in Subsection (3)(b):

- (i) the employee's employer in accordance with Subsection (2); or
- (ii) the division.

(b) ~~[The]~~ An employee shall provide the notice required by Subsection (3)(a) [shall be made] within:

- (i) 180 days ~~[of]~~ after the day on which the injury occurs; or
- (ii) in the case of an occupational hearing loss, the time period specified in Section

34A-2-506.

(4) The following [~~constitute~~] constitutes notification of injury from the employee, the employee's next of kin, or the employee's attorney, as required by Subsection (2):

(a) an employer's report once filed with:

(i) the division; or

(ii) the employer's workers' compensation insurance carrier;

(b) a physician's injury report once filed with:

(i) the division;

(ii) the employer; or

(iii) the employer's workers' compensation insurance carrier;

(c) a workers' compensation insurance carrier's report filed with the division; or

(d) the payment of any medical or disability benefits by:

(i) the employer; or

(ii) the employer's workers' compensation insurance carrier.

(5)(a) An employer and the employer's workers' compensation insurance carrier, if any, shall file a report in accordance with the rules made under Subsection (5)(b) of a:

(i) work-related fatality; or

(ii) work-related injury resulting in:

(A) medical treatment;

(B) loss of consciousness;

(C) loss of work;

(D) restriction of work; or

(E) transfer to another job.

(b)(i)(A) [~~An employer or the employer's workers' compensation insurance carrier, if any, shall file a report required by Subsection (5)(a), and any subsequent reports of a previously reported injury as may be required by the commission, within the time limits and in the manner established by rule by the commission made after consultation with the workers' compensation advisory council and in accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act.~~] The commission may require additional reports for a previously reported injury by rule made after consulting with the workers' compensation advisory council and in accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act.

(B) An employer or the employer's workers' compensation insurance carrier, if

any, shall file the report required by Subsection (5)(a) and any other report of a previously reported injury within the time limits and in the manner the commission establishes.

(ii) A rule made under this Subsection (5)(b) shall:

[(i)] (A) be reasonable; and

[(ii)] (B) take into consideration the practicality and cost of complying with the rule.

(c) [A] An employer is not required to file a report [is not required to be filed under this Subsection (5)] for a minor injury, such as a cut or scratch that requires first aid treatment only, unless:

(i) a treating physician files a report with the division in accordance with Subsection (9); or

(ii) a treating physician is required to file a report with the division in accordance with Subsection (9).

(6) An employer and [its] the employer's workers' compensation insurance carrier, if any, required to file a report under Subsection (5) shall provide the employee with:

(a) a copy of the report submitted to the division; and

(b) a statement, as prepared by the division, of the employee's rights and responsibilities related to the industrial injury.

(7) An employer shall maintain a record in a manner [~~prescribed by~~] the commission provides by rule of all:

(a) work-related fatalities; or

(b) work-related injuries resulting in:

(i) medical treatment;

(ii) loss of consciousness;

(iii) loss of work;

(iv) restriction of work; or

(v) transfer to another job.

(8)(a) Except as provided in Subsection (8)(b), an employer or a workers' compensation insurance carrier [~~who~~] that refuses or neglects to make a report, maintain a record, or file a report as required by this section is subject to a civil assessment:

(i) imposed by the division, subject to the requirements of Title 63G, Chapter 4, Administrative Procedures Act; and

(ii) that may not exceed \$500.

- (b) An employer or workers' compensation insurance carrier is not subject to the civil assessment under this Subsection (8) if:
- (i) the employer or workers' compensation insurance carrier submits a report later than required by this section; and
 - (ii) the division finds that the employer or workers' compensation insurance carrier has shown good cause for submitting a report later than required by this section.

- (c)(i) ~~[A-]~~ The division shall deposit a civil assessment collected under this Subsection (8) [shall be deposited] into the Uninsured Employers' Fund created in Section 34A-2-704[to be used for a purpose specified in Section 34A-2-704].
- (ii) The administrator of the Uninsured Employers' Fund shall ~~[collect]~~ receive and distribute the money [required to be deposited into the Uninsured Employers' Fund under this Subsection (8)(c) in accordance with Section 34A-2-704.] in accordance with Section 34A-2-704.

- (9)(a) A ~~[physician attending]~~ health care provider treating an injured employee shall comply with rules [established by] the commission establishes in accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act, regarding:

- (i) fees for ~~[physician's]~~ covered medical services, other than a hospital's covered medical services;
- (ii) fees for a hospital's covered medical services, which, if the commission establishes, shall be based on Medicare reimbursement rates;
- ~~[(ii)]~~ (iii) disclosure of medical records of the employee medically relevant to the employee's [industrial accident or occupational disease] work-related injury claim;
- ~~[(iii)]~~ (iv) reports to the division regarding:
 - (A) the condition and treatment of an injured employee; or
 - (B) any other matter concerning employees with industrial cases that the [physician-] health care provider is treating; and
- ~~[(iv)]~~ (v) rules made under Section 34A-2-407.5.

- ~~[(b)]~~ (b) A physician who is associated with, employed by, or bills through a hospital is subject to Subsection (9)(a).]

- ~~[(c)]~~ (c) A hospital providing services for an injured employee is not subject to the requirements of Subsection (9)(a) except for rules made by the commission that are described in Subsection (9)(a)(ii) or (iii) or Section 34A-2-407.5.]

- ~~[(d)]~~ (b) The commission's schedule of fees may reasonably differentiate [remuneration to be-] compensation paid to health care providers [of health services] for covered

164 medical services based on:

165 (i) the severity of the employee's condition;

166 (ii) the nature of the treatment necessary; and

167 (iii) the facilities or equipment specially required to deliver that treatment.

168 ~~[(e)]~~ (c) This Subsection (9) does not prohibit a contract with a health care provider of [
169 ~~health services]~~ covered medical services relating to the pricing of goods and covered
170 medical services.

171 (d) A health care provider may not engage in balance billing.

172 (10) A health care provider treating an injured employee shall provide a copy of the initial
173 report filed under Subsection ~~[(9)(a)(iii) shall be furnished]~~ (9)(a)(iv) to:

174 (a) the division;

175 (b) the employee; and

176 (c)(i) the employer; or

177 (ii) the employer's workers' compensation insurance carrier.

178 ~~[(11)(a) As used in this Subsection (11):]~~

179 ~~[(i) "Balance billing" means charging a person, on whose behalf a workers'~~
180 ~~compensation insurance carrier or self-insured employer is obligated to pay~~
181 ~~medical benefits under this chapter or Chapter 3, Utah Occupational Disease Act,~~
182 ~~for the difference between what the workers' compensation insurance carrier or~~
183 ~~self-insured employer reimburses the hospital for covered medical services and~~
184 ~~what the hospital charges for those covered medical services.]~~

185 ~~[(ii) "Covered medical services" means medical services provided by a hospital that~~
186 ~~are covered by workers' compensation medical benefits under this chapter or~~
187 ~~Chapter 3, Utah Occupational Disease Act.]~~

188 ~~[(iii) "Self-insured employer" means the same as that term is defined in Section~~
189 ~~34A-2-201.5.]~~

190 ~~[(b) Subject to Subsection (11)(d), a workers' compensation insurance carrier or~~
191 ~~self-insured employer may contract, either in writing or by mutual oral agreement,~~
192 ~~with a hospital to establish reimbursement rates.]~~

193 ~~[(c) Subject to Subsection (11)(d), for the time period beginning on May 8, 2018, and~~
194 ~~ending on July 1, 2021, a workers' compensation insurance carrier or self-insured~~
195 ~~employer that is reimbursing a hospital for covered medical services shall reimburse~~
196 ~~the hospital:]~~

197 ~~[(i) in accordance with a contract described in Subsection (11)(b); or]~~

198 ~~[(ii)(A) if the hospital is located in a county of the first, second, or third class, as~~
199 ~~classified in Section 17-50-501, at 75% of the billed hospital fees for the~~
200 ~~covered medical services; or]~~

201 ~~[(B) if the hospital is located in a county of the fourth, fifth, or sixth class, as~~
202 ~~classified in Section 17-50-501, at 85% of the billed hospital fees for the~~
203 ~~covered medical services.]~~

204 ~~[(d) A hospital may not engage in balance billing.]~~

205 ~~[(12)]~~ (11)(a) Subject to appellate review under Section 34A-1-303, the commission has
206 exclusive jurisdiction to hear and determine:

207 (i) whether goods ~~[provided to]~~ or services ~~[rendered]~~ provided to an employee are
208 compensable ~~[pursuant to]~~ under this chapter or Chapter 3, Utah Occupational
209 Disease Act, including:

210 (A) ~~[medical, nurse, or hospital]~~ covered medical services;

211 (B) medicines; and

212 (C) artificial means, appliances, or prosthesis;

213 (ii) except for amounts charged or paid under Subsection ~~[(11)]~~ (9)(c), the
214 reasonableness of the amounts charged or paid for a good or service described in
215 Subsection ~~[(12)(a)(i)]~~ (11)(a)(i); and

216 (iii) collection issues related to a good or service described in Subsection ~~[(12)(a)(i)]~~
217 (11)(a)(i).

218 (b) Except as provided in Subsection ~~[(12)(a)]~~ (11)(a), Subsection 34A-2-211(6), or
219 Section 34A-2-212, a person may not maintain a cause of action in any forum within
220 this state other than the commission for collection or payment for goods or covered
221 medical services described in Subsection ~~[(12)(a)]~~ (11)(a) that are compensable under
222 this chapter or Chapter 3, Utah Occupational Disease Act.

223 Section 2. **Effective Date.**

224 This bill takes effect on May 7, 2025.