

1  
2 An act relating to workers' compensation;  
3 amending s. 440.02, F.S.; providing, revising,  
4 and deleting definitions; amending s. 440.05,  
5 F.S.; revising authorization to claim  
6 exemptions and requirements relating to  
7 submitting notice of election of exemption;  
8 specifying effect of exemption; providing a  
9 definition; amending s. 440.06, F.S.; revising  
10 provisions relating to failure to secure  
11 compensation; amending s. 440.077, F.S.;  
12 providing that a corporate officer electing to  
13 be exempt may not receive benefits; amending s.  
14 440.09, F.S.; revising provisions relating to  
15 compensation for subsequent injuries; providing  
16 definitions; revising provisions relating to  
17 drug testing; specifying effect of criminal  
18 acts; creating s. 440.093, F.S.; providing for  
19 compensability of mental and nervous injuries;  
20 amending s. 440.10, F.S.; revising provisions  
21 relating to contractors and subcontractors with  
22 regard to liability for compensation; requiring  
23 subcontractors to provide evidence of workers'  
24 compensation coverage or proof of exemption to  
25 a contractor; deleting provisions relating to  
26 independent contractors; amending s. 440.1025,  
27 F.S.; revising requirements relating to  
28 workplace safety programs; amending s. 440.103,  
29 F.S.; providing conditions for applying for  
30 building permits; amending s. 440.105, F.S.;  
31 increasing criminal penalties for certain

1 violations; providing sanctions for violation  
2 of stop-work orders and presentation of certain  
3 false or misleading statements as evidence;  
4 amending s. 440.1051, F.S.; increasing criminal  
5 penalty for false reports; amending s. 440.107,  
6 F.S.; providing additional powers to the  
7 Department of Financial Services relating to  
8 compliance and enforcement; providing a  
9 definition; providing penalties; amending s.  
10 440.11, F.S.; providing exclusiveness of  
11 liability; revising provisions relating to  
12 employer and safety consultant immunity from  
13 liability; amending s. 440.13, F.S.; providing  
14 for practice parameters and treatment  
15 protocols; revising provisions relating to  
16 provider reimbursement; requiring revision of  
17 specified reimbursement schedules; providing  
18 for release of information; providing  
19 additional criteria for independent medical  
20 examinations; providing a definition; providing  
21 standards for medical care under ch. 440, F.S.;  
22 providing penalties; amending s. 440.134, F.S.;  
23 revising provisions relating to managed care  
24 arrangements; revising definitions; providing  
25 for assignment of a medical care coordinator;  
26 amending s. 440.14, F.S.; revising provisions  
27 relating to calculation of average weekly wage  
28 for injured employees; conforming  
29 cross-references; amending s. 440.15, F.S.;  
30 providing additional limitations on  
31 compensation for permanent total disability;

1 providing a definition; specifying impairment  
2 benefits and providing for partial reduction  
3 under certain circumstances; deleting  
4 provisions relating to supplemental benefits;  
5 amending s. 440.151, F.S.; specifying  
6 compensability of occupational disease;  
7 providing a definition; amending s. 440.16,  
8 F.S.; increasing the limits on the amount of  
9 certain benefits paid as compensation for  
10 death; amending s. 440.185, F.S.; specifying  
11 duty of employer upon receipt of notice of  
12 injury or death; increasing penalties for  
13 noncompliance; amending s. 440.192, F.S.;  
14 revising procedure for resolving benefit  
15 disputes; requiring a petition for benefits to  
16 include all claims which are ripe, due, and  
17 owing; providing that the Chief Judge, rather  
18 than the Deputy Chief Judge, shall refer  
19 petitions for benefits; creating s. 440.1926,  
20 F.S.; providing for alternative dispute  
21 resolution and arbitration of claims; amending  
22 s. 440.20, F.S.; revising provisions relating  
23 to timely payment of compensation and medical  
24 bills and penalties for late payment;  
25 prohibiting the clerk of the circuit court from  
26 assessing certain fees or costs; amending s.  
27 440.25, F.S.; revising procedures for mediation  
28 and hearings; amending s. 440.34, F.S.;  
29 revising provisions relating to the award of  
30 attorney's fees; amending s. 440.38, F.S.;  
31 providing requirement for employers with

1 coverage provided by insurers from outside the  
2 state; amending s. 440.381, F.S.; providing  
3 criminal penalty for unlawful applications;  
4 requiring on-site audits of employers under  
5 certain circumstances; amending s. 440.42,  
6 F.S.; revising provision relating to notice of  
7 cancellation of coverage; amending s. 440.49,  
8 F.S., to conform cross-references; amending s.  
9 440.491, F.S.; providing training and education  
10 requirements and benefits relating to  
11 reemployment of injured workers; providing for  
12 rules; amending s. 440.525, F.S.; providing for  
13 the Office of Insurance Regulation of the  
14 Financial Services Commission to conduct  
15 examinations and investigations of  
16 claims-handling entities; providing penalties;  
17 providing for rules; amending s. 627.162, F.S.;  
18 revising delinquency and collection fee for  
19 late payment of premium installments; creating  
20 s. 627.285, F.S.; providing for annual  
21 actuarial peer review of rating organization  
22 processes; requiring a report; amending s.  
23 627.311, F.S.; revising membership of the board  
24 of governors of the workers' compensation joint  
25 underwriting plan; requiring participation in  
26 safety programs; providing for an additional  
27 subplan within the joint underwriting plan for  
28 workers' compensation insurance; providing for  
29 rates, surcharges, and assessments; limiting  
30 assessment powers; amending s. 921.0022, F.S.;  
31 revising the offense severity ranking chart to

1 reflect changes in penalties under the act;  
2 requiring a report to the Legislature from the  
3 Department of Financial Services regarding  
4 provisions of law relating to enforcement;  
5 amending ss. 946.523 and 985.315, F.S., to  
6 conform cross-references; establishing a Joint  
7 Select Committee on Workers' Compensation  
8 Rating Reform and specifying duties thereof;  
9 providing for termination of the committee;  
10 requiring the board of governors of the  
11 workers' compensation joint underwriting plan  
12 to submit a report to the Legislature; amending  
13 s. 443.1715, F.S.; revising provisions relating  
14 to records and reports; providing for  
15 disclosure of specified information; amending  
16 s. 625.989, F.S.; providing that the Department  
17 of Financial Services shall prepare an annual  
18 report relating to workers' compensation fraud  
19 and compliance; amending s. 626.9891, F.S.;  
20 amending reporting requirements for insurers;  
21 providing penalties for noncompliance;  
22 providing for rules; repealing s. 440.1925,  
23 F.S., relating to procedure for resolving  
24 maximum medical improvement or permanent  
25 impairment disputes; amending ss. 112.19 and  
26 112.191, F.S., to conform references to changes  
27 made by the act; providing that amendments to  
28 ss. 440.02 and 440.15, F.S., do not affect  
29 certain disability, determination, and  
30 benefits; providing for construction of the act  
31 in pari materia with laws enacted during the

1           2003 Regular Session of the Legislature;  
2           providing effective dates.

3  
4 Be It Enacted by the Legislature of the State of Florida:

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6           Section 1. Effective upon this act becoming a law,  
7 subsections (1), (15), (29), (38), (39), (40), (41), and (42)  
8 of section 440.02, Florida Statutes, are amended to read:

9           440.02 Definitions.--When used in this chapter, unless  
10 the context clearly requires otherwise, the following terms  
11 shall have the following meanings:

12           (1) "Accident" means only an unexpected or unusual  
13 event or result that happens suddenly. ~~A mental or nervous~~  
14 ~~injury due to stress, fright, or excitement only, or~~  
15 Disability or death due to the accidental acceleration or  
16 aggravation of a venereal disease or of a disease due to the  
17 habitual use of alcohol or controlled substances or narcotic  
18 drugs, or a disease that manifests itself in the fear of or  
19 dislike for an individual because of the individual's race,  
20 color, religion, sex, national origin, age, or handicap is not  
21 an injury by accident arising out of the employment. Subject  
22 to s. 440.15(5), if a preexisting disease or anomaly is  
23 accelerated or aggravated by an accident arising out of and in  
24 the course of employment, only acceleration of death or  
25 acceleration or aggravation of the preexisting condition  
26 reasonably attributable to the accident is compensable, with  
27 respect to any compensation otherwise payable under this  
28 chapter death or permanent impairment. An injury or disease  
29 caused by exposure to a toxic substance, including, but not  
30 limited to, fungus or mold, is not an injury by accident  
31 arising out of the employment unless there is clear and

1 convincing evidence establishing that exposure to the specific  
2 substance involved, at the levels to which the employee was  
3 exposed, can cause the injury or disease sustained by the  
4 employee.

5 (15)(a) "Employee" means any person engaged in any  
6 employment under any appointment or contract of hire or  
7 apprenticeship, express or implied, oral or written, whether  
8 lawfully or unlawfully employed, and includes, but is not  
9 limited to, aliens and minors.

10 (b) "Employee" includes any person who is an officer  
11 of a corporation and who performs services for remuneration  
12 for such corporation within this state, whether or not such  
13 services are continuous.

14 1. Any officer of a corporation may elect to be exempt  
15 from this chapter by filing written notice of the election  
16 with the department as provided in s. 440.05.

17 2. As to officers of a corporation who are actively  
18 engaged in the construction industry, no more than three  
19 officers may elect to be exempt from this chapter by filing  
20 written notice of the election with the department as provided  
21 in s. 440.05. ~~However, any exemption obtained by a corporate~~  
22 ~~officer of a corporation actively engaged in the construction~~  
23 ~~industry is not applicable with respect to any commercial~~  
24 ~~building project estimated to be valued at \$250,000 or~~  
25 ~~greater.~~

26 3. An officer of a corporation who elects to be exempt  
27 from this chapter by filing a written notice of the election  
28 with the department as provided in s. 440.05 is not an  
29 employee.

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1 Services are presumed to have been rendered to the corporation  
2 if the officer is compensated by other than dividends upon  
3 shares of stock of the corporation which the officer owns.

4 (c) ~~1.~~ "Employee" includes a sole proprietor or a  
5 partner who devotes full time to the proprietorship or  
6 partnership and, except as provided in this paragraph, elects  
7 to be included in the definition of employee by filing notice  
8 thereof as provided in s. 440.05. Partners or sole proprietors  
9 actively engaged in the construction industry are considered  
10 employees unless they elect to be excluded from the definition  
11 of employee by filing written notice of the election with the  
12 department as provided in s. 440.05. However, no more than  
13 three partners in a partnership that is actively engaged in  
14 the construction industry may elect to be excluded. A sole  
15 proprietor or partner who is actively engaged in the  
16 construction industry and who elects to be exempt from this  
17 chapter by filing a written notice of the election with the  
18 department as provided in s. 440.05 is not an employee. For  
19 purposes of this chapter, an independent contractor is an  
20 employee unless he or she meets all of the conditions set  
21 forth in subparagraph (d)1.

22 ~~2. Notwithstanding the provisions of subparagraph 1.,~~  
23 ~~the term "employee" includes a sole proprietor or partner~~  
24 ~~actively engaged in the construction industry with respect to~~  
25 ~~any commercial building project estimated to be valued at~~  
26 ~~\$250,000 or greater. Any exemption obtained is not applicable,~~  
27 ~~with respect to work performed at such a commercial building~~  
28 ~~project.~~

29 (d) "Employee" does not include:

30 1. An independent contractor, if:

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- 1           a. The independent contractor maintains a separate  
2 business with his or her own work facility, truck, equipment,  
3 materials, or similar accommodations;
- 4           b. The independent contractor holds or has applied for  
5 a federal employer identification number, unless the  
6 independent contractor is a sole proprietor who is not  
7 required to obtain a federal employer identification number  
8 under state or federal requirements;
- 9           c. The independent contractor performs or agrees to  
10 perform specific services or work for specific amounts of  
11 money and controls the means of performing the services or  
12 work;
- 13           d. The independent contractor incurs the principal  
14 expenses related to the service or work that he or she  
15 performs or agrees to perform;
- 16           e. The independent contractor is responsible for the  
17 satisfactory completion of work or services that he or she  
18 performs or agrees to perform and is or could be held liable  
19 for a failure to complete the work or services;
- 20           f. The independent contractor receives compensation  
21 for work or services performed for a commission or on a  
22 per-job or competitive-bid basis and not on any other basis;
- 23           g. The independent contractor may realize a profit or  
24 suffer a loss in connection with performing work or services;
- 25           h. The independent contractor has continuing or  
26 recurring business liabilities or obligations; and
- 27           i. The success or failure of the independent  
28 contractor's business depends on the relationship of business  
29 receipts to expenditures.

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1 However, the determination as to whether an individual  
2 included in the Standard Industrial Classification Manual of  
3 1987, Industry Numbers 0711, 0721, 0722, 0751, 0761, 0762,  
4 0781, 0782, 0783, 0811, 0831, 0851, 2411, 2421, 2435, 2436,  
5 2448, or 2449, or a newspaper delivery person, is an  
6 independent contractor is governed not by the criteria in this  
7 paragraph but by common-law principles, giving due  
8 consideration to the business activity of the individual.  
9 ~~Notwithstanding the provisions of this paragraph or any other~~  
10 ~~provision of this chapter, with respect to any commercial~~  
11 ~~building project estimated to be valued at \$250,000 or~~  
12 ~~greater, a person who is actively engaged in the construction~~  
13 ~~industry is not an independent contractor and is either an~~  
14 ~~employer or an employee who may not be exempt from the~~  
15 ~~coverage requirements of this chapter.~~

16 2. A real estate salesperson or agent, if that person  
17 agrees, in writing, to perform for remuneration solely by way  
18 of commission.

19 3. Bands, orchestras, and musical and theatrical  
20 performers, including disk jockeys, performing in licensed  
21 premises as defined in chapter 562, if a written contract  
22 evidencing an independent contractor relationship is entered  
23 into before the commencement of such entertainment.

24 4. An owner-operator of a motor vehicle who transports  
25 property under a written contract with a motor carrier which  
26 evidences a relationship by which the owner-operator assumes  
27 the responsibility of an employer for the performance of the  
28 contract, if the owner-operator is required to furnish the  
29 necessary motor vehicle equipment and all costs incidental to  
30 the performance of the contract, including, but not limited  
31 to, fuel, taxes, licenses, repairs, and hired help; and the

1 owner-operator is paid a commission for transportation service  
2 and is not paid by the hour or on some other time-measured  
3 basis.

4 5. A person whose employment is both casual and not in  
5 the course of the trade, business, profession, or occupation  
6 of the employer.

7 6. A volunteer, except a volunteer worker for the  
8 state or a county, municipality, or other governmental entity.  
9 A person who does not receive monetary remuneration for  
10 services is presumed to be a volunteer unless there is  
11 substantial evidence that a valuable consideration was  
12 intended by both employer and employee. For purposes of this  
13 chapter, the term "volunteer" includes, but is not limited to:

14 a. Persons who serve in private nonprofit agencies and  
15 who receive no compensation other than expenses in an amount  
16 less than or equivalent to the standard mileage and per-diem  
17 expenses provided to salaried employees in the same agency or,  
18 if such agency does not have salaried employees who receive  
19 mileage and per diem, then such volunteers who receive no  
20 compensation other than expenses in an amount less than or  
21 equivalent to the customary mileage and per diem paid to  
22 salaried workers in the community as determined by the  
23 department; and

24 b. Volunteers participating in federal programs  
25 established under Pub. L. No. 93-113.

26 7. Any officer of a corporation who elects to be  
27 exempt from this chapter.

28 8. A sole proprietor or officer of a corporation who  
29 actively engages in the construction industry, and a partner  
30 in a partnership that is actively engaged in the construction  
31 industry, who elects to be exempt from the provisions of this

1 chapter. Such sole proprietor, officer, or partner is not an  
2 employee for any reason until the notice of revocation of  
3 election filed pursuant to s. 440.05 is effective.

4           9. An exercise rider who does not work for a single  
5 horse farm or breeder, and who is compensated for riding on a  
6 case-by-case basis, provided a written contract is entered  
7 into prior to the commencement of such activity which  
8 evidences that an employee/employer relationship does not  
9 exist.

10           10. A taxicab, limousine, or other passenger  
11 vehicle-for-hire driver who operates said vehicles pursuant to  
12 a written agreement with a company which provides any  
13 dispatch, marketing, insurance, communications, or other  
14 services under which the driver and any fees or charges paid  
15 by the driver to the company for such services are not  
16 conditioned upon, or expressed as a proportion of, fare  
17 revenues.

18           11. A person who performs services as a sports  
19 official for an entity sponsoring an interscholastic sports  
20 event or for a public entity or private, nonprofit  
21 organization that sponsors an amateur sports event. For  
22 purposes of this subparagraph, such a person is an independent  
23 contractor. For purposes of this subparagraph, the term  
24 "sports official" means any person who is a neutral  
25 participant in a sports event, including, but not limited to,  
26 umpires, referees, judges, linespersons, scorekeepers, or  
27 timekeepers. This subparagraph does not apply to any person  
28 employed by a district school board who serves as a sports  
29 official as required by the employing school board or who  
30 serves as a sports official as part of his or her  
31 responsibilities during normal school hours.

1           (29) "Weekly compensation rate" means and refers to  
2 the amount of compensation payable for a period of 7  
3 consecutive calendar days, including any Saturdays, Sundays,  
4 holidays, and other nonworking days which fall within such  
5 period of 7 consecutive calendar days. When Saturdays,  
6 Sundays, holidays, or other nonworking days immediately follow  
7 the first 7 calendar days of disability or occur at the end of  
8 a period of disability as the last day or days of such period,  
9 such nonworking days constitute a part of the period of  
10 disability with respect to which compensation is payable.

11           ~~(38) "Catastrophic injury" means a permanent~~  
12 ~~impairment constituted by:~~

13           ~~(a) Spinal cord injury involving severe paralysis of~~  
14 ~~an arm, a leg, or the trunk;~~

15           ~~(b) Amputation of an arm, a hand, a foot, or a leg~~  
16 ~~involving the effective loss of use of that appendage;~~

17           ~~(c) Severe brain or closed-head injury as evidenced~~  
18 ~~by:~~

19           ~~1. Severe sensory or motor disturbances;~~

20           ~~2. Severe communication disturbances;~~

21           ~~3. Severe complex integrated disturbances of cerebral~~  
22 ~~function;~~

23           ~~4. Severe episodic neurological disorders; or~~

24           ~~5. Other severe brain and closed-head injury~~  
25 ~~conditions at least as severe in nature as any condition~~  
26 ~~provided in subparagraphs 1.-4.;~~

27           ~~(d) Second-degree or third-degree burns of 25 percent~~  
28 ~~or more of the total body surface or third-degree burns of 5~~  
29 ~~percent or more to the face and hands;~~

30           ~~(e) Total or industrial blindness; or~~

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1           ~~(f) Any other injury that would otherwise qualify under~~  
2 ~~this chapter of a nature and severity that would qualify an~~  
3 ~~employee to receive disability income benefits under Title II~~  
4 ~~or supplemental security income benefits under Title XVI of~~  
5 ~~the federal Social Security Act as the Social Security Act~~  
6 ~~existed on July 1, 1992, without regard to any time~~  
7 ~~limitations provided under that act.~~

8           ~~(38)(39)~~ "Insurer" means a group self-insurers' fund  
9 authorized by s. 624.4621, an individual self-insurer  
10 authorized by s. 440.38, a commercial self-insurance fund  
11 authorized by s. 624.462, an assessable mutual insurer  
12 authorized by s. 628.6011, and an insurer licensed to write  
13 workers' compensation and employer's liability insurance in  
14 this state. The term "carrier," as used in this chapter, means  
15 an insurer as defined in this subsection.

16           ~~(39)(40)~~ "Statement," for the purposes of ss. 440.105  
17 and 440.106, shall include the exact fraud statement language  
18 in s. 440.105(7). This requirement includes, but is not  
19 limited to, any notice, representation, statement, proof of  
20 injury, bill for services, diagnosis, prescription, hospital  
21 or doctor record, X ray, test result, or other evidence of  
22 loss, injury, or expense.

23           ~~(40)(41)~~ "Specificity" means information on the  
24 petition for benefits sufficient to put the employer or  
25 carrier on notice of the exact statutory classification and  
26 outstanding time period of benefits being requested and  
27 includes a detailed explanation of any benefits received that  
28 should be increased, decreased, changed, or otherwise  
29 modified. If the petition is for medical benefits, the  
30 information shall include specific details as to why such  
31 benefits are being requested, why such benefits are medically

1 necessary, and why current treatment, if any, is not  
2 sufficient. Any petition requesting alternate or other medical  
3 care, including, but not limited to, petitions requesting  
4 psychiatric or psychological treatment, must specifically  
5 identify the physician, as defined in s. 440.13(1), that is  
6 recommending such treatment. A copy of a report from such  
7 physician making the recommendation for alternate or other  
8 medical care shall also be attached to the petition. A judge  
9 of compensation claims shall not order such treatment if a  
10 physician is not recommending such treatment.~~Commercial~~  
11 ~~building" means any building or structure intended for~~  
12 ~~commercial or industrial use, or any building or structure~~  
13 ~~intended for multifamily use of more than four dwelling units,~~  
14 ~~as well as any accessory use structures constructed in~~  
15 ~~conjunction with the principal structure. The term,~~  
16 ~~"commercial building," does not include the conversion of any~~  
17 ~~existing residential building to a commercial building.~~  
18 ~~(42) "Residential building" means any building or~~  
19 ~~structure intended for residential use containing four or~~  
20 ~~fewer dwelling units and any structures intended as an~~  
21 ~~accessory use to the residential structure.~~  
22 Section 2. Effective January 1, 2004, subsections (8),  
23 (15), and (16) of section 440.02, Florida Statutes, as amended  
24 by this act, are amended to read:  
25 440.02 Definitions.--When used in this chapter, unless  
26 the context clearly requires otherwise, the following terms  
27 shall have the following meanings:  
28 (8) "Construction industry" means for-profit  
29 activities involving ~~the carrying out of~~ any building,  
30 clearing, filling, excavation, or substantial improvement in  
31 the size or use of any structure or the appearance of any

1 land. ~~When appropriate to the context, "construction" refers~~  
2 ~~to the act of construction or the result of construction.~~  
3 However, "construction" does ~~shall~~ not mean a homeowner's  
4 ~~landowner's~~ act of construction or the result of a  
5 construction upon his or her own premises, provided such  
6 premises are not intended to be sold, ~~or~~ resold, or leased by  
7 the owner within 1 year after the commencement of  
8 construction. The division may, by rule, establish standard  
9 industrial classification codes and definitions thereof which  
10 meet the criteria of the term "construction industry" as set  
11 forth in this section.

12 (15)(a) "Employee" means any person who receives  
13 remuneration from an employer for the performance of any work  
14 or service while engaged in any employment under any  
15 appointment or contract for ~~of~~ hire or apprenticeship, express  
16 or implied, oral or written, whether lawfully or unlawfully  
17 employed, and includes, but is not limited to, aliens and  
18 minors.

19 (b) "Employee" includes any person who is an officer  
20 of a corporation and who performs services for remuneration  
21 for such corporation within this state, whether or not such  
22 services are continuous.

23 1. Any officer of a corporation may elect to be exempt  
24 from this chapter by filing written notice of the election  
25 with the department as provided in s. 440.05.

26 2. As to officers of a corporation who are ~~actively~~  
27 engaged in the construction industry, no more than three  
28 officers of a corporation or of any group of affiliated  
29 corporations may elect to be exempt from this chapter by  
30 filing written notice of the election with the department as  
31 provided in s. 440.05. Officers must be shareholders, each



1 owning at least 10 percent of the stock of such corporation  
2 and listed as an officer of such corporation with the Division  
3 of Corporations of the Department of State, in order to elect  
4 exemptions under this chapter. For purposes of this  
5 subparagraph, the term "affiliated" means and includes one or  
6 more corporations or entities, any one of which is a  
7 corporation engaged in the construction industry, under the  
8 same or substantially the same control of a group of business  
9 entities which are connected or associated so that one entity  
10 controls or has the power to control each of the other  
11 business entities. The term "affiliated" includes, but is not  
12 limited to, the officers, directors, executives, shareholders  
13 active in management, employees, and agents of the affiliated  
14 corporation. The ownership by one business entity of a  
15 controlling interest in another business entity or a pooling  
16 of equipment or income among business entities shall be prima  
17 facie evidence that one business is affiliated with the other.

18         3. An officer of a corporation who elects to be exempt  
19 from this chapter by filing a written notice of the election  
20 with the department as provided in s. 440.05 is not an  
21 employee.

22  
23 Services are presumed to have been rendered to the corporation  
24 if the officer is compensated by other than dividends upon  
25 shares of stock of the corporation which the officer owns.

26         (c) "Employee" includes:

27         1. A sole proprietor or a partner who is not engaged  
28 in the construction industry,devotes full time to the  
29 proprietorship or partnership,~~and, except as provided in this~~  
30 ~~paragraph,~~elects to be included in the definition of employee  
31 by filing notice thereof as provided in s. 440.05. ~~Partners or~~

1 ~~sole proprietors actively engaged in the construction industry~~  
2 ~~are considered employees unless they elect to be excluded from~~  
3 ~~the definition of employee by filing written notice of the~~  
4 ~~election with the department as provided in s. 440.05.~~  
5 ~~However, no more than three partners in a partnership that is~~  
6 ~~actively engaged in the construction industry may elect to be~~  
7 ~~excluded. A sole proprietor or partner who is actively engaged~~  
8 ~~in the construction industry and who elects to be exempt from~~  
9 ~~this chapter by filing a written notice of the election with~~  
10 ~~the department as provided in s. 440.05 is not an employee.~~  
11 ~~For purposes of this chapter, an independent contractor is an~~  
12 ~~employee unless he or she meets all of the conditions set~~  
13 ~~forth in subparagraph (d)1.~~

14 2. All persons who are being paid by a construction  
15 contractor as a subcontractor, unless the subcontractor has  
16 validly elected an exemption as permitted by this chapter, or  
17 has otherwise secured the payment of compensation coverage as  
18 a subcontractor, consistent with s. 440.10, for work performed  
19 by or as a subcontractor.

20 3. An independent contractor working or performing  
21 services in the construction industry.

22 4. A sole proprietor who engages in the construction  
23 industry and a partner or partnership that is engaged in the  
24 construction industry.

25 (d) "Employee" does not include:

26 1. An independent contractor who is not engaged in the  
27 construction industry., if:

28 a. In order to meet the definition of independent  
29 contractor, at least four of the following criteria must be  
30 met:

31

1           (I) The independent contractor maintains a separate  
2 business with his or her own work facility, truck, equipment,  
3 materials, or similar accommodations;

4           (II) The independent contractor holds or has applied  
5 for a federal employer identification number, unless the  
6 independent contractor is a sole proprietor who is not  
7 required to obtain a federal employer identification number  
8 under state or federal regulations;

9           (III) The independent contractor receives compensation  
10 for services rendered or work performed and such compensation  
11 is paid to a business rather than to an individual;

12           (IV) The independent contractor holds one or more bank  
13 accounts in the name of the business entity for purposes of  
14 paying business expenses or other expenses related to services  
15 rendered or work performed for compensation;

16           (V) The independent contractor performs work or is  
17 able to perform work for any entity in addition to or besides  
18 the employer at his or her own election without the necessity  
19 of completing an employment application or process; or

20           (VI) The independent contractor receives compensation  
21 for work or services rendered on a competitive-bid basis or  
22 completion of a task or a set of tasks as defined by a  
23 contractual agreement, unless such contractual agreement  
24 expressly states that an employment relationship exists. The  
25 independent contractor maintains a separate business with his  
26 or her own work facility, truck, equipment, materials, or  
27 similar accommodations;

28           b. If four of the criteria listed in sub-subparagraph  
29 a. do not exist, an individual may still be presumed to be an  
30 independent contractor and not an employee based on full  
31

1 consideration of the nature of the individual situation with  
2 regard to satisfying any of the following conditions:

3 (I) The independent contractor performs or agrees to  
4 perform specific services or work for a specific amount of  
5 money and controls the means of performing the services or  
6 work.

7 (II) The independent contractor incurs the principal  
8 expenses related to the service or work that he or she  
9 performs or agrees to perform.

10 (III) The independent contractor is responsible for  
11 the satisfactory completion of the work or services that he or  
12 she performs or agrees to perform.

13 (IV) The independent contractor receives compensation  
14 for work or services performed for a commission or on a  
15 per-job basis and not on any other basis.

16 (V) The independent contractor may realize a profit or  
17 suffer a loss in connection with performing work or services.

18 (VI) The independent contractor has continuing or  
19 recurring business liabilities or obligations.

20 (VII) The success or failure of the independent  
21 contractor's business depends on the relationship of business  
22 receipts to expenditures.~~The independent contractor holds or~~  
23 ~~has applied for a federal employer identification number,~~  
24 ~~unless the independent contractor is a sole proprietor who is~~  
25 ~~not required to obtain a federal employer identification~~  
26 ~~number under state or federal requirements.~~

27 c. Notwithstanding anything to the contrary in this  
28 subparagraph, an individual claiming to be an independent  
29 contractor has the burden of proving that he or she is an  
30 independent contractor for purposes of this chapter. ~~The~~  
31 ~~independent contractor performs or agrees to perform specific~~

1 ~~services or work for specific amounts of money and controls~~  
2 ~~the means of performing the services or work;~~

3 ~~d. The independent contractor incurs the principal~~  
4 ~~expenses related to the service or work that he or she~~  
5 ~~performs or agrees to perform;~~

6 ~~e. The independent contractor is responsible for the~~  
7 ~~satisfactory completion of work or services that he or she~~  
8 ~~performs or agrees to perform and is or could be held liable~~  
9 ~~for a failure to complete the work or services;~~

10 ~~f. The independent contractor receives compensation~~  
11 ~~for work or services performed for a commission or on a~~  
12 ~~per-job or competitive-bid basis and not on any other basis;~~

13 ~~g. The independent contractor may realize a profit or~~  
14 ~~suffer a loss in connection with performing work or services;~~

15 ~~h. The independent contractor has continuing or~~  
16 ~~recurring business liabilities or obligations; and~~

17 ~~i. The success or failure of the independent~~  
18 ~~contractor's business depends on the relationship of business~~  
19 ~~receipts to expenditures.~~

20  
21 ~~However, the determination as to whether an individual~~  
22 ~~included in the Standard Industrial Classification Manual of~~  
23 ~~1987, Industry Numbers 0711, 0721, 0722, 0751, 0761, 0762,~~  
24 ~~0781, 0782, 0783, 0811, 0831, 0851, 2411, 2421, 2435, 2436,~~  
25 ~~2448, or 2449, or a newspaper delivery person, is an~~  
26 ~~independent contractor is governed not by the criteria in this~~  
27 ~~paragraph but by common-law principles, giving due~~  
28 ~~consideration to the business activity of the individual.~~

29 2. A real estate salesperson or agent, if that person  
30 agrees, in writing, to perform for remuneration solely by way  
31 of commission.

1           3. Bands, orchestras, and musical and theatrical  
2 performers, including disk jockeys, performing in licensed  
3 premises as defined in chapter 562, if a written contract  
4 evidencing an independent contractor relationship is entered  
5 into before the commencement of such entertainment.

6           4. An owner-operator of a motor vehicle who transports  
7 property under a written contract with a motor carrier which  
8 evidences a relationship by which the owner-operator assumes  
9 the responsibility of an employer for the performance of the  
10 contract, if the owner-operator is required to furnish the  
11 necessary motor vehicle equipment and all costs incidental to  
12 the performance of the contract, including, but not limited  
13 to, fuel, taxes, licenses, repairs, and hired help; and the  
14 owner-operator is paid a commission for transportation service  
15 and is not paid by the hour or on some other time-measured  
16 basis.

17           5. A person whose employment is both casual and not in  
18 the course of the trade, business, profession, or occupation  
19 of the employer.

20           6. A volunteer, except a volunteer worker for the  
21 state or a county, municipality, or other governmental entity.  
22 A person who does not receive monetary remuneration for  
23 services is presumed to be a volunteer unless there is  
24 substantial evidence that a valuable consideration was  
25 intended by both employer and employee. For purposes of this  
26 chapter, the term "volunteer" includes, but is not limited to:

27           a. Persons who serve in private nonprofit agencies and  
28 who receive no compensation other than expenses in an amount  
29 less than or equivalent to the standard mileage and per diem  
30 expenses provided to salaried employees in the same agency or,  
31 if such agency does not have salaried employees who receive

1 mileage and per diem, then such volunteers who receive no  
2 compensation other than expenses in an amount less than or  
3 equivalent to the customary mileage and per diem paid to  
4 salaried workers in the community as determined by the  
5 department; and

6         b. Volunteers participating in federal programs  
7 established under Pub. L. No. 93-113.

8         7. Unless otherwise prohibited by this chapter, any  
9 officer of a corporation who elects to be exempt from this  
10 chapter. Such officer is not an employee for any reason under  
11 this chapter until the notice of revocation of election filed  
12 pursuant to s. 440.05 is effective.

13         8. An ~~a sole proprietor or~~ officer of a corporation  
14 ~~who actively engages in the construction industry, and a~~  
15 ~~partner in a partnership that is actively engaged in the~~  
16 ~~construction industry, who elects to be exempt from the~~  
17 ~~provisions of this chapter, as otherwise permitted by this~~  
18 ~~chapter.~~ Such ~~sole proprietor, officer, or partner~~ is not an  
19 employee for any reason until the notice of revocation of  
20 election filed pursuant to s. 440.05 is effective.

21         9. An exercise rider who does not work for a single  
22 horse farm or breeder, and who is compensated for riding on a  
23 case-by-case basis, provided a written contract is entered  
24 into prior to the commencement of such activity which  
25 evidences that an employee/employer relationship does not  
26 exist.

27         10. A taxicab, limousine, or other passenger  
28 vehicle-for-hire driver who operates said vehicles pursuant to  
29 a written agreement with a company which provides any  
30 dispatch, marketing, insurance, communications, or other  
31 services under which the driver and any fees or charges paid

1 by the driver to the company for such services are not  
2 conditioned upon, or expressed as a proportion of, fare  
3 revenues.

4           11. A person who performs services as a sports  
5 official for an entity sponsoring an interscholastic sports  
6 event or for a public entity or private, nonprofit  
7 organization that sponsors an amateur sports event. For  
8 purposes of this subparagraph, such a person is an independent  
9 contractor. For purposes of this subparagraph, the term  
10 "sports official" means any person who is a neutral  
11 participant in a sports event, including, but not limited to,  
12 umpires, referees, judges, linespersons, scorekeepers, or  
13 timekeepers. This subparagraph does not apply to any person  
14 employed by a district school board who serves as a sports  
15 official as required by the employing school board or who  
16 serves as a sports official as part of his or her  
17 responsibilities during normal school hours.

18           12. Medicaid-enrolled clients under chapter 393 who  
19 are excluded from the definition of employment under s.  
20 443.036(21)(d)5. and served by Adult Day Training Services  
21 under the Home and Community-Based Medicaid Waiver program in  
22 a sheltered workshop setting licensed by the United States  
23 Department of Labor for the purpose of training and earning  
24 less than the federal hourly minimum wage.

25           (16)(a) "Employer" means the state and all political  
26 subdivisions thereof, all public and quasi-public corporations  
27 therein, every person carrying on any employment, and the  
28 legal representative of a deceased person or the receiver or  
29 trustees of any person. "Employer" also includes employment  
30 agencies, employee leasing companies, and similar agents who  
31 provide employees to other persons. If the employer is a



1 corporation, parties in actual control of the corporation,  
2 including, but not limited to, the president, officers who  
3 exercise broad corporate powers, directors, and all  
4 shareholders who directly or indirectly own a controlling  
5 interest in the corporation, are considered the employer for  
6 the purposes of ss. 440.105, ~~and~~ 440.106, and 440.107.

7 (b) A homeowner shall not be considered the employer  
8 of persons hired by the homeowner to carry out construction on  
9 the homeowner's own premises if those premises are not  
10 intended for immediate lease, sale, or resale.

11 (c) Facilities serving individuals under subparagraph  
12 (15)(d)12. shall be considered agents of the Agency for Health  
13 Care Administration as it relates to providing Adult Day  
14 Training Services under the Home and Community-Based Medicaid  
15 Waiver program and not employers or third parties for the  
16 purpose of limiting or denying Medicaid benefits.

17 Section 3. Effective January 1, 2004, subsections (3),  
18 (4), (6), (10), (11), and (12) of section 440.05, Florida  
19 Statutes, are amended, present subsection (13) is renumbered  
20 as subsection (11) and amended, and new subsections (12),  
21 (13), (14), and (15) are added to said section, to read:

22 440.05 Election of exemption; revocation of election;  
23 notice; certification.--

24 (3) Each ~~sole proprietor, partner, or~~ officer of a  
25 corporation who is actively engaged in the construction  
26 industry and who elects an exemption from this chapter or who,  
27 after electing such exemption, revokes that exemption, must  
28 mail a written notice to such effect to the department on a  
29 form prescribed by the department. The notice of election to  
30 be exempt from the provisions of this chapter must be  
31 notarized and under oath. The notice of election to be exempt

1 which is submitted to the department by the ~~sole proprietor,~~  
2 ~~partner, or~~ officer of a corporation who is allowed to claim  
3 an exemption as provided by this chapter must list the name,  
4 federal tax identification number, social security number, all  
5 certified or registered licenses issued pursuant to chapter  
6 489 held by the person seeking the exemption, a copy of  
7 relevant documentation as to employment status filed with the  
8 Internal Revenue Service as specified by the department, a  
9 copy of the relevant occupational license in the primary  
10 jurisdiction of the business, and, ~~for corporate officers and~~  
11 ~~partners,~~ the registration number of the corporation ~~or~~  
12 ~~partnership~~ filed with the Division of Corporations of the  
13 Department of State along with a copy of the stock certificate  
14 evidencing the required ownership under this chapter. The  
15 notice of election to be exempt must identify each ~~sole~~  
16 ~~proprietorship, partnership, or~~ corporation that employs the  
17 person electing the exemption and must list the social  
18 security number or federal tax identification number of each  
19 such employer and the additional documentation required by  
20 this section. In addition, the notice of election to be exempt  
21 must provide that the ~~sole proprietor, partner, or~~ officer  
22 electing an exemption is not entitled to benefits under this  
23 chapter, must provide that the election does not exceed  
24 exemption limits for officers ~~and partnerships~~ provided in s.  
25 440.02, and must certify that any employees of the corporation  
26 whose ~~sole proprietor, partner, or~~ officer elects ~~electing~~ an  
27 exemption are covered by workers' compensation insurance. Upon  
28 receipt of the notice of the election to be exempt, receipt of  
29 all application fees, and a determination by the department  
30 that the notice meets the requirements of this subsection, the  
31 department shall issue a certification of the election to the

1 ~~sole proprietor, partner, or~~ officer, unless the department  
2 determines that the information contained in the notice is  
3 invalid. The department shall revoke a certificate of election  
4 to be exempt from coverage upon a determination by the  
5 department that the person does not meet the requirements for  
6 exemption or that the information contained in the notice of  
7 election to be exempt is invalid. The certificate of election  
8 must list the name ~~names~~ of the ~~sole proprietorship,~~  
9 ~~partnership, or~~ corporation listed in the request for  
10 exemption. A new certificate of election must be obtained each  
11 time the person is employed by a new ~~sole proprietorship,~~  
12 ~~partnership,~~ or different corporation that is not listed on  
13 the certificate of election. A copy of the certificate of  
14 election must be sent to each workers' compensation carrier  
15 identified in the request for exemption. Upon filing a notice  
16 of revocation of election, an ~~a~~ ~~sole proprietor, partner, or~~  
17 ~~officer who is a subcontractor~~ or an officer of a corporate  
18 subcontractor must notify her or his contractor. Upon  
19 revocation of a certificate of election of exemption by the  
20 department, the department shall notify the workers'  
21 compensation carriers identified in the request for exemption.

22 (4) The notice of election to be exempt from the  
23 provisions of this chapter must contain a notice that clearly  
24 states in substance the following: "Any person who, knowingly  
25 and with intent to injure, defraud, or deceive the department  
26 or any employer or employee, insurance company, or any other  
27 person ~~purposes program~~, files a notice of election to be  
28 exempt containing any false or misleading information is  
29 guilty of a felony of the third degree." Each person filing a  
30 notice of election to be exempt shall personally sign the  
31

1 notice and attest that he or she has reviewed, understands,  
2 and acknowledges the foregoing notice.

3 (6) A construction industry certificate of election to  
4 be exempt which is issued in accordance with this section  
5 shall be valid for 2 years after the effective date stated  
6 thereon. Both the effective date and the expiration date must  
7 be listed on the face of the certificate by the department.  
8 The construction industry certificate must expire at midnight,  
9 2 years from its issue date, as noted on the face of the  
10 exemption certificate. Any person who has received from the  
11 division a construction industry certificate of election to be  
12 exempt which is in effect on December 31, 1998, shall file a  
13 new notice of election to be exempt by the last day in his or  
14 her birth month following December 1, 1998. A construction  
15 industry certificate of election to be exempt may be revoked  
16 before its expiration by the ~~sole proprietor, partner, or~~  
17 officer for whom it was issued or by the department for the  
18 reasons stated in this section. At least 60 days prior to the  
19 expiration date of a construction industry certificate of  
20 exemption issued after December 1, 1998, the department shall  
21 send notice of the expiration date and an application for  
22 renewal to the certificateholder at the address on the  
23 certificate.

24 (10) Each ~~sole proprietor, partner, or~~ officer of a  
25 corporation who is actively engaged in the construction  
26 industry and who elects an exemption from this chapter shall  
27 maintain business records as specified by the division by  
28 rule, which rules must include the provision that any  
29 corporation with exempt officers ~~and any partnership actively~~  
30 engaged in the construction industry ~~with exempt partners~~ must  
31 maintain written statements of those exempted persons

1 affirmatively acknowledging each such individual's exempt  
2 status.

3 ~~(11) Any sole proprietor or partner actively engaged~~  
4 ~~in the construction industry claiming an exemption under this~~  
5 ~~section shall maintain a copy of his or her federal income tax~~  
6 ~~records for each of the immediately previous 3 years in which~~  
7 ~~he or she claims an exemption. Such federal income tax records~~  
8 ~~must include a complete copy of the following for each year in~~  
9 ~~which an exemption is claimed:~~

10 ~~(a) For sole proprietors, a copy of Federal Income Tax~~  
11 ~~Form 1040 and its accompanying Schedule C;~~

12 ~~(b) For partners, a copy of the partner's Federal~~  
13 ~~Income Tax Schedule K-1 (Form 1065) and Federal Income Tax~~  
14 ~~Form 1040 and its accompanying Schedule E.~~

15  
16 ~~A sole proprietor or partner shall produce, upon request by~~  
17 ~~the division, a copy of those documents together with a~~  
18 ~~statement by the sole proprietor or partner that the tax~~  
19 ~~records provided are true and accurate copies of what the sole~~  
20 ~~proprietor or partner has filed with the federal Internal~~  
21 ~~Revenue Service. The statement must be signed under oath by~~  
22 ~~the sole proprietor or partner and must be notarized. The~~  
23 ~~division shall issue a stop-work order under s. 440.107(5) to~~  
24 ~~any sole proprietor or partner who fails or refuses to produce~~  
25 ~~a copy of the tax records and affidavit required under this~~  
26 ~~paragraph to the division within 3 business days after the~~  
27 ~~request is made.~~

28 ~~(12) For those sole proprietors or partners that have~~  
29 ~~not been in business long enough to provide the information~~  
30 ~~required of an established business, the division shall~~  
31 ~~require such sole proprietor or partner to provide copies of~~

1 ~~the most recently filed Federal Income Tax Form 1040. The~~  
2 ~~division shall establish by rule such other criteria to show~~  
3 ~~that the sole proprietor or partner intends to engage in a~~  
4 ~~legitimate enterprise within the construction industry and is~~  
5 ~~not otherwise attempting to evade the requirements of this~~  
6 ~~section. The division shall establish by rule the form and~~  
7 ~~format of financial information required to be submitted by~~  
8 ~~such employers.~~

9 (11)~~(13)~~ Any corporate officer permitted by this  
10 chapter to claim ~~claiming~~ an exemption ~~under this section~~ must  
11 be listed on the records of this state's Secretary of State,  
12 Division of Corporations, as a corporate officer. ~~if the~~  
13 ~~person who claims an exemption as a corporate officer is not~~  
14 ~~so listed on the records of the Secretary of State, the~~  
15 ~~individual must provide to the division, upon request by the~~  
16 ~~division, a notarized affidavit stating that the individual is~~  
17 ~~a bona fide officer of the corporation and stating the date~~  
18 ~~his or her appointment or election as a corporate officer~~  
19 ~~became or will become effective. The statement must be signed~~  
20 ~~under oath by both the officer and the president or chief~~  
21 ~~operating officer of the corporation and must be notarized.~~  
22 The division shall issue a stop-work order under s. 440.107(1)  
23 to any corporation who employs a person who claims to be  
24 exempt as a corporate officer but who fails or refuses to  
25 produce the documents required under this subsection to the  
26 division within 3 business days after the request is made.

27 (12) Certificates of election to be exempt issued  
28 under subsection (3) shall apply only to the corporate officer  
29 named on the notice of election to be exempt and apply only  
30 within the scope of the business or trade listed on the notice  
31 of election to be exempt.

1           (13) Notices of election to be exempt and certificates  
2 of election to be exempt shall be subject to revocation if, at  
3 any time after the filing of the notice or the issuance of the  
4 certificate, the person named on the notice or certificate no  
5 longer meets the requirements of this section for issuance of  
6 a certificate. The department shall revoke a certificate at  
7 any time for failure of the person named on the certificate to  
8 meet the requirements of this section.

9           (14) An officer of a corporation who elects exemption  
10 from this chapter by filing a certificate of election under  
11 this section may not recover benefits or compensation under  
12 this chapter. For purposes of determining the appropriate  
13 premium for workers' compensation coverage, carriers may not  
14 consider any officer of a corporation who validly meets the  
15 requirements of this section to be an employee.

16           (15) Any corporate officer who is an affiliated person  
17 of a person who is delinquent in paying a stop-work order and  
18 penalty assessment order issued pursuant to s. 440.107, or  
19 owed pursuant to a court order, is ineligible for an election  
20 of exemption. The stop-work order and penalty assessment shall  
21 be in effect against any such affiliated person. As used in  
22 this subsection, the term "affiliated person" means:

23           (a) The spouse of such other person;

24           (b) Any person who directly or indirectly owns or  
25 controls, or holds with the power to vote, 10 percent or more  
26 of the outstanding voting securities of such other person;

27           (c) Any person who directly or indirectly owns 10  
28 percent or more of the outstanding voting securities that are  
29 directly or indirectly owned, controlled, or held with the  
30 power to vote by such other person;

31

1           (d) Any person or group of persons who directly or  
2 indirectly control, are controlled by, or are under common  
3 control with such other person;

4           (e) Any person who directly or indirectly acquires all  
5 or substantially all of the other assets of such other person;

6           (f) Any officer, director, trustee, partner, owner,  
7 manager, joint venturer, or employee of such other person or a  
8 person performing duties similar to persons in such positions;  
9 or

10           (g) Any person who has an officer, director, trustee,  
11 partner, or joint venturer in common with such person.

12           Section 4. Section 440.06, Florida Statutes, is  
13 amended to read:

14           440.06 Failure to secure compensation; effect.--Every  
15 employer who fails to secure the payment of compensation , as  
16 provided in s. 440.10, by failing to meet the requirements of  
17 ~~under this chapter as provided in s. 440.38~~ may not, in any  
18 suit brought against him or her by an employee subject to this  
19 chapter to recover damages for injury or death, defend such a  
20 suit on the grounds that the injury was caused by the  
21 negligence of a fellow servant, that the employee assumed the  
22 risk of his or her employment, or that the injury was due to  
23 the comparative negligence of the employee.

24           Section 5. Effective January 1, 2004, section 440.077,  
25 Florida Statutes, is amended to read:

26           440.077 When a corporate ~~sole proprietor, partner, or~~  
27 ~~officer~~ rejects chapter, effect.--An ~~A sole proprietor,~~  
28 ~~partner, or officer~~ of a corporation who is permitted to elect  
29 an exemption under this chapter ~~actively engaged in the~~  
30 ~~construction industry~~ and who elects to be exempt from the  
31



1 provisions of this chapter may not recover benefits under this  
2 chapter.

3 Section 6. Subsections (1) and (4) of section 440.09,  
4 Florida Statutes, are amended and paragraph (e) is added to  
5 subsection (7) of said section, to read:

6 440.09 Coverage.--

7 (1) The employer must ~~shall~~ pay compensation or  
8 furnish benefits required by this chapter if the employee  
9 suffers an accidental compensable injury or death arising out  
10 of work performed in the course and the scope of employment.  
11 The injury, its occupational cause, and any resulting  
12 manifestations or disability must ~~shall~~ be established to a  
13 reasonable degree of medical certainty, based on and by  
14 objective relevant medical findings, and the accidental  
15 compensable injury must be the major contributing cause of any  
16 resulting injuries. For purposes of this section, "major  
17 contributing cause" means the cause which is more than 50  
18 percent responsible for the injury as compared to all other  
19 causes combined for which treatment or benefits are sought. In  
20 cases involving occupational disease or repetitive exposure,  
21 both causation and sufficient exposure to support causation  
22 must be proven by clear and convincing evidence. Pain or other  
23 subjective complaints alone, in the absence of objective  
24 relevant medical findings, are not compensable. For purposes  
25 of this section, "objective relevant medical findings" are  
26 those objective findings that correlate to the subjective  
27 complaints of the injured employee and are confirmed by  
28 physical examination findings or diagnostic testing.  
29 Establishment of the causal relationship between a compensable  
30 accident and injuries for conditions that are not readily  
31 observable must be by medical evidence only, as demonstrated

1 by physical examination findings or diagnostic testing. Major  
2 contributing cause must be demonstrated by medical evidence  
3 only. ~~Mental or nervous injuries occurring as a manifestation~~  
4 ~~of an injury compensable under this section shall be~~  
5 ~~demonstrated by clear and convincing evidence.~~

6 (a) This chapter does not require any compensation or  
7 benefits for any subsequent injury the employee suffers as a  
8 result of an original injury arising out of and in the course  
9 of employment unless the original injury is the major  
10 contributing cause of the subsequent injury. Major  
11 contributing cause must be demonstrated by medical evidence  
12 only.

13 (b) If an injury arising out of and in the course of  
14 employment combines with a preexisting disease or condition to  
15 cause or prolong disability or need for treatment, the  
16 employer must pay compensation or benefits required by this  
17 chapter only to the extent that the injury arising out of and  
18 in the course of employment is and remains more than 50  
19 percent responsible for the injury as compared to all other  
20 causes combined and thereafter remains the major contributing  
21 cause of the disability or need for treatment. Major  
22 contributing cause must be demonstrated by medical evidence  
23 only.

24 (c) Death resulting from an operation by a surgeon  
25 furnished by the employer for the cure of hernia as required  
26 in s. 440.15(6)[F.S. 1981] shall for the purpose of this  
27 chapter be considered to be a death resulting from the  
28 accident causing the hernia.

29 (d) If an accident happens while the employee is  
30 employed elsewhere than in this state, which would entitle the  
31 employee or his or her dependents to compensation if it had

1 happened in this state, the employee or his or her dependents  
2 are entitled to compensation if the contract of employment was  
3 made in this state, or the employment was principally  
4 localized in this state. However, if an employee receives  
5 compensation or damages under the laws of any other state, the  
6 total compensation for the injury may not be greater than is  
7 provided in this chapter.

8       (4)(a) An employee shall not be entitled to  
9 compensation or benefits under this chapter if any judge of  
10 compensation claims, administrative law judge, court, or jury  
11 convened in this state determines that the employee has  
12 knowingly or intentionally engaged in any of the acts  
13 described in s. 440.105 or any criminal act for the purpose of  
14 securing workers' compensation benefits. For purposes of this  
15 section, the term "intentional" shall include, but is not  
16 limited to, pleas of guilty or nolo contendere in criminal  
17 matters. This section shall apply to accidents, regardless of  
18 the date of the accident. For injuries occurring prior to  
19 January 1, 1994, this section shall pertain to the acts of the  
20 employee described in s. 440.105 or criminal activities  
21 occurring subsequent to January 1, 1994.

22       (b) A judge of compensation claims, administrative law  
23 judge, or court of this state shall take judicial notice of a  
24 finding of insurance fraud by a court of competent  
25 jurisdiction and terminate or otherwise disallow benefits.

26       (c) Upon the denial of benefits in accordance with  
27 this section, a judge of compensation claims shall have the  
28 jurisdiction to order any benefits payable to the employee to  
29 be paid into the court registry or an escrow account during  
30 the pendency of an appeal or until such time as the time in  
31 which to file an appeal has expired.

1           (7)  
2           (e) As a part of rebutting any presumptions under  
3 paragraph (b), the injured worker must prove the actual  
4 quantitative amounts of the drug or its metabolites as  
5 measured on the initial and confirmation post-accident drug  
6 tests of the injured worker's urine sample and provide  
7 additional evidence regarding the absence of drug influence  
8 other than the worker's denial of being under the influence of  
9 a drug. No drug test conducted on a urine sample shall be  
10 rejected as to its results or the presumption imposed under  
11 paragraph (b) on the basis of the urine being bodily fluid  
12 tested.

13           Section 7. Section 440.093, Florida Statutes, is  
14 created to read:

15           440.093 Mental and nervous injuries.--

16           (1) A mental or nervous injury due to stress, fright,  
17 or excitement only is not an injury by accident arising out of  
18 the employment. Nothing in this section shall be construed to  
19 allow for the payment of benefits under this chapter for  
20 mental or nervous injuries without an accompanying physical  
21 injury requiring medical treatment. A physical injury  
22 resulting from mental or nervous injuries unaccompanied by  
23 physical trauma requiring medical treatment shall not be  
24 compensable under this chapter.

25           (2) Mental or nervous injuries occurring as a  
26 manifestation of an injury compensable under this chapter  
27 shall be demonstrated by clear and convincing medical evidence  
28 by a licensed psychiatrist meeting criteria established in the  
29 most recent edition of the diagnostic and statistical manual  
30 of mental disorders published by the American Psychiatric  
31 Association. The compensable physical injury must be and

1 remain the major contributing cause of the mental or nervous  
2 condition and the compensable physical injury as determined by  
3 reasonable medical certainty must be at least 50 percent  
4 responsible for the mental or nervous condition as compared to  
5 all other contributing causes combined. Compensation is not  
6 payable for the mental, psychological, or emotional injury  
7 arising out of depression from being out of work or losing  
8 employment opportunities, resulting from a preexisting mental,  
9 psychological, or emotional condition or due to pain or other  
10 subjective complaints that cannot be substantiated by  
11 objective, relevant medical findings.

12 (3) Subject to the payment of permanent benefits under  
13 s. 440.15, in no event shall temporary benefits for a  
14 compensable mental or nervous injury be paid for more than 6  
15 months after the date of maximum medical improvement for the  
16 injured employee's physical injury or injuries, which shall be  
17 included in the period of 104 weeks as provided in s.  
18 440.15(2) and (4). Mental or nervous injuries are compensable  
19 only in accordance with the terms of this section.

20 Section 8. Effective January 1, 2004, subsection (1)  
21 of section 440.10, Florida Statutes, is amended to read:

22 440.10 Liability for compensation.--

23 (1)(a) Every employer coming within the provisions of  
24 this chapter, ~~including any brought within the chapter by~~  
25 ~~waiver of exclusion or of exemption,~~ shall be liable for, and  
26 shall secure, the payment to his or her employees, or any  
27 physician, surgeon, or pharmacist providing services under the  
28 provisions of s. 440.13, of the compensation payable under ss.  
29 440.13, 440.15, and 440.16. Any contractor or subcontractor  
30 who engages in any public or private construction in the state  
31

1 shall secure and maintain compensation for his or her  
2 employees under this chapter as provided in s. 440.38.

3 (b) In case a contractor sublets any part or parts of  
4 his or her contract work to a subcontractor or subcontractors,  
5 all of the employees of such contractor and subcontractor or  
6 subcontractors engaged on such contract work shall be deemed  
7 to be employed in one and the same business or establishment,<sup>+</sup>  
8 and the contractor shall be liable for, and shall secure, the  
9 payment of compensation to all such employees, except to  
10 employees of a subcontractor who has secured such payment.

11 (c) A contractor shall ~~may~~ require a subcontractor to  
12 provide evidence of workers' compensation insurance ~~or a copy~~  
13 ~~of his or her certificate of election~~. A subcontractor who is  
14 a corporation and has an officer who elects ~~electing~~ to be  
15 exempt as permitted under this chapter ~~a sole proprietor,~~  
16 ~~partner, or officer of a corporation~~ shall provide a copy of  
17 his or her certificate of exemption ~~election~~ to the  
18 contractor.

19 (d)1. If a contractor becomes liable for the payment  
20 of compensation to the employees of a subcontractor who has  
21 failed to secure such payment in violation of s. 440.38, the  
22 contractor or other third-party payor shall be entitled to  
23 recover from the subcontractor all benefits paid or payable  
24 plus interest unless the contractor and subcontractor have  
25 agreed in writing that the contractor will provide coverage.

26 2. If a contractor or third-party payor becomes liable  
27 for the payment of compensation to the corporate officer  
28 ~~employee~~ of a subcontractor who is ~~actively~~ engaged in the  
29 construction industry and has elected to be exempt from the  
30 provisions of this chapter, but whose election is invalid, the  
31 contractor or third-party payor may recover from the claimant<sup>7</sup>

1 ~~partnership~~, or corporation all benefits paid or payable plus  
2 interest, unless the contractor and the subcontractor have  
3 agreed in writing that the contractor will provide coverage.

4 (e) A subcontractor providing services in conjunction  
5 with a contractor on the same project or contract work is not  
6 liable for the payment of compensation to the employees of  
7 another subcontractor or the contractor on such contract work  
8 and is ~~not~~ protected by the exclusiveness-of-liability  
9 provisions of s. 440.11 from any action at law or in admiralty  
10 on account of injury to an ~~of such~~ employee of another  
11 subcontractor, or of the contractor, provided that:

12 1. The subcontractor has secured workers' compensation  
13 insurance for its employees or the contractor has secured such  
14 insurance on behalf of the subcontractor and its employees in  
15 accordance with paragraph (b); and

16 2. The subcontractor's own gross negligence was not  
17 the major contributing cause of the injury.

18 (f) If an employer fails to secure compensation as  
19 required by this chapter, the department shall ~~may~~ assess  
20 against the employer a penalty not to exceed \$5,000 for each  
21 employee of that employer who is classified by the employer as  
22 an independent contractor but who is found by the department  
23 to not meet the criteria for an independent contractor that  
24 are set forth in s. 440.02. The division shall adopt rules to  
25 administer the provisions of this paragraph.

26 (g) Subject to s. 440.38, any employer who has  
27 employees engaged in work in this state shall obtain a Florida  
28 policy or endorsement for such employees which utilizes  
29 Florida class codes, rates, rules, and manuals that are in  
30 compliance with and approved under the provisions of this  
31 chapter and the Florida Insurance Code. Failure to comply with

1 this paragraph is a felony of the second degree, punishable as  
2 provided in s. 775.082, s. 775.083, or s. 775.084. The  
3 department shall adopt rules for construction industry and  
4 nonconstruction-industry employers with regard to the  
5 activities that define what constitutes being "engaged in  
6 work" in this state, using the following standards:

7 1. For employees of nonconstruction-industry employers  
8 who have their headquarters outside of Florida and also  
9 operate in Florida and who are routinely crossing state lines,  
10 but usually return to their homes each night, the employee  
11 shall be assigned to the headquarters' state. However, the  
12 construction industry employees performing new construction or  
13 alterations in Florida shall be assigned to Florida even if  
14 the employees return to their home state each night.

15 2. The payroll of executive supervisors who may visit  
16 a Florida location but who are not in direct charge of a  
17 Florida location shall be assigned to the state in which the  
18 headquarters is located.

19 3. For construction contractors who maintain a  
20 permanent staff of employees and superintendents, if any of  
21 these employees or superintendents are assigned to a job that  
22 is located in Florida, either for the duration of the job or  
23 any portion thereof, their payroll shall be assigned to  
24 Florida rather than the headquarters' state.

25 4. Employees who are hired for a specific project in  
26 Florida shall be assigned to Florida.~~For purposes of this~~  
27 ~~section, a person is conclusively presumed to be an~~  
28 ~~independent contractor if:~~

29 ~~1. The independent contractor provides the general~~  
30 ~~contractor with an affidavit stating that he or she meets all~~  
31 ~~the requirements of s. 440.02; and~~



1           ~~2. The independent contractor provides the general~~  
2 ~~contractor with a valid certificate of workers' compensation~~  
3 ~~insurance or a valid certificate of exemption issued by the~~  
4 ~~department.~~

5  
6 ~~A sole proprietor, partner, or officer of a corporation who~~  
7 ~~elects exemption from this chapter by filing a certificate of~~  
8 ~~election under s. 440.05 may not recover benefits or~~  
9 ~~compensation under this chapter. An independent contractor who~~  
10 ~~provides the general contractor with both an affidavit stating~~  
11 ~~that he or she meets the requirements of s. 440.02 and a~~  
12 ~~certificate of exemption is not an employee under s. 440.02~~  
13 ~~and may not recover benefits under this chapter. For purposes~~  
14 ~~of determining the appropriate premium for workers'~~  
15 ~~compensation coverage, carriers may not consider any person~~  
16 ~~who meets the requirements of this paragraph to be an~~  
17 ~~employee.~~

18           Section 9. Section 440.1025, Florida Statutes, is  
19 amended to read:

20           440.1025 ~~Consideration of public~~ Employer workplace  
21 safety program in rate-setting; program requirements;  
22 rulemaking.--

23           (1) For a public or private employer to be eligible  
24 for receipt of specific identifiable consideration under s.  
25 627.0915 for a workplace safety program in the setting of  
26 rates, the ~~public~~ employer must have a workplace safety  
27 program. At a minimum, the program must include a written  
28 safety policy and safety rules, and make provision for safety  
29 inspections, preventative maintenance, safety training,  
30 first-aid, accident investigation, and necessary  
31 recordkeeping. ~~For purposes of this section, "public employer"~~

1 ~~means any agency within state, county, or municipal government~~  
2 ~~employing individuals for salary, wages, or other~~  
3 ~~remuneration.~~The division may adopt ~~promulgate~~ rules for  
4 insurers to utilize in determining ~~public~~ employer compliance  
5 with the requirements of this section.

6 (2) The division shall publicize on the Internet, and  
7 shall encourage insurers to publicize, the availability of  
8 free safety consultation services and safety program  
9 resources.

10 Section 10. Section 440.103, Florida Statutes, is  
11 amended to read:

12 440.103 Building permits; identification of minimum  
13 premium policy.--~~Except as otherwise provided in this chapter,~~  
14 Every employer shall, as a condition to applying for and  
15 receiving a building permit, show proof and certify to the  
16 permit issuer that it has secured compensation for its  
17 employees under this chapter as provided in ss. 440.10 and  
18 440.38. Such proof of compensation must be evidenced by a  
19 certificate of coverage issued by the carrier, a valid  
20 exemption certificate approved by the department ~~or the former~~  
21 ~~Division of Workers' Compensation of the Department of Labor~~  
22 ~~and Employment Security~~, or a copy of the employer's authority  
23 to self-insure and shall be presented each time the employer  
24 applies for a building permit. As provided in s. 627.413(5),  
25 each certificate of coverage must show, on its face, whether  
26 or not coverage is secured under the minimum premium  
27 provisions of rules adopted by rating organizations licensed  
28 by the department. The words "minimum premium policy" or  
29 equivalent language shall be typed, printed, stamped, or  
30 legibly handwritten.

31

1           Section 11. Section 440.105, Florida Statutes, is  
2 amended to read:

3           440.105 Prohibited activities; reports; penalties;  
4 limitations.--

5           (1)(a) Any insurance carrier, any individual  
6 self-insured, any commercial or group self-insurance fund, any  
7 professional practitioner licensed or regulated by the  
8 Department of Health ~~Business and Professional Regulation~~,  
9 except as otherwise provided by law, any medical review  
10 committee as defined in s. 766.101, any private medical review  
11 committee, and any insurer, agent, or other person licensed  
12 under the insurance code, or any employee thereof, having  
13 knowledge or who believes that a fraudulent act or any other  
14 act or practice which, upon conviction, constitutes a felony  
15 or misdemeanor under this chapter is being or has been  
16 committed shall send to the Division of Insurance Fraud,  
17 Bureau of Workers' Compensation Fraud, a report or information  
18 pertinent to such knowledge or belief and such additional  
19 information relative thereto as the bureau may require. The  
20 bureau shall review such information or reports and select  
21 such information or reports as, in its judgment, may require  
22 further investigation. It shall then cause an independent  
23 examination of the facts surrounding such information or  
24 report to be made to determine the extent, if any, to which a  
25 fraudulent act or any other act or practice which, upon  
26 conviction, constitutes a felony or a misdemeanor under this  
27 chapter is being committed. The bureau shall report any  
28 alleged violations of law which its investigations disclose to  
29 the appropriate licensing agency and state attorney or other  
30 prosecuting agency having jurisdiction with respect to any  
31 such violations of this chapter. If prosecution by the state

1 attorney or other prosecuting agency having jurisdiction with  
2 respect to such violation is not begun within 60 days of the  
3 bureau's report, the state attorney or other prosecuting  
4 agency having jurisdiction with respect to such violation  
5 shall inform the bureau of the reasons for the lack of  
6 prosecution.

7 (b) In the absence of fraud or bad faith, a person is  
8 not subject to civil liability for libel, slander, or any  
9 other relevant tort by virtue of filing reports, without  
10 malice, or furnishing other information, without malice,  
11 required by this section or required by the bureau, and no  
12 civil cause of action of any nature shall arise against such  
13 person:

14 1. For any information relating to suspected  
15 fraudulent acts furnished to or received from law enforcement  
16 officials, their agents, or employees;

17 2. For any information relating to suspected  
18 fraudulent acts furnished to or received from other persons  
19 subject to the provisions of this chapter; or

20 3. For any such information relating to suspected  
21 fraudulent acts furnished in reports to the bureau, or the  
22 National Association of Insurance Commissioners.

23 (2) Whoever violates any provision of this subsection  
24 commits a misdemeanor of the first ~~second~~ degree, punishable  
25 as provided in s. 775.082 or s. 775.083.

26 (a) It shall be unlawful for any employer to  
27 knowingly:

28 1. Coerce or attempt to coerce, as a precondition to  
29 employment or otherwise, an employee to obtain a certificate  
30 of election of exemption pursuant to s. 440.05.

31

1           2. Discharge or refuse to hire an employee or job  
2 applicant because the employee or applicant has filed a claim  
3 for benefits under this chapter.

4           3. Discharge, discipline, or take any other adverse  
5 personnel action against any employee for disclosing  
6 information to the department or any law enforcement agency  
7 relating to any violation or suspected violation of any of the  
8 provisions of this chapter or rules promulgated hereunder.

9           4. Violate a stop-work order issued by the department  
10 pursuant to s. 440.107.

11           (b) It shall be unlawful for any insurance entity to  
12 revoke or cancel a workers' compensation insurance policy or  
13 membership because an employer has returned an employee to  
14 work or hired an employee who has filed a workers'  
15 compensation claim.

16           (3) Whoever violates any provision of this subsection  
17 commits a misdemeanor of the first degree, punishable as  
18 provided in s. 775.082 or s. 775.083.

19           (a) It shall be unlawful for any employer to knowingly  
20 fail to update applications for coverage as required by s.  
21 440.381(1) and department ~~of Insurance~~ rules within 7 days  
22 after the reporting date for any change in the required  
23 information, or to post notice of coverage pursuant to s.  
24 440.40.

25           (b) It shall be unlawful for any employer to knowingly  
26 participate in the creation of the employment relationship in  
27 which the employee has used any false, fraudulent, or  
28 misleading oral or written statement as evidence of identity.

29           ~~(c)~~(b) It is unlawful for any attorney or other  
30 person, in his or her individual capacity or in his or her  
31 capacity as a public or private employee, or for any firm,

1 corporation, partnership, or association to receive any fee or  
2 other consideration or any gratuity from a person on account  
3 of services rendered for a person in connection with any  
4 proceedings arising under this chapter, unless such fee,  
5 consideration, or gratuity is approved by a judge of  
6 compensation claims or by the Deputy Chief Judge of  
7 Compensation Claims.

8 (4) Whoever violates any provision of this subsection  
9 commits insurance fraud, punishable as provided in paragraph  
10 (f).

11 (a) It shall be unlawful for any employer to  
12 knowingly:

13 1. Present or cause to be presented any false,  
14 fraudulent, or misleading oral or written statement to any  
15 person as evidence of compliance with s. 440.38.

16 2. Make a deduction from the pay of any employee  
17 entitled to the benefits of this chapter for the purpose of  
18 requiring the employee to pay any portion of premium paid by  
19 the employer to a carrier or to contribute to a benefit fund  
20 or department maintained by such employer for the purpose of  
21 providing compensation or medical services and supplies as  
22 required by this chapter.

23 3. Fail to secure payment of compensation if required  
24 to do so by this chapter.

25 (b) It shall be unlawful for any person:

26 1. To knowingly make, or cause to be made, any false,  
27 fraudulent, or misleading oral or written statement for the  
28 purpose of obtaining or denying any benefit or payment under  
29 this chapter.

30 2. To present or cause to be presented any written or  
31 oral statement as part of, or in support of, a claim for

1 payment or other benefit pursuant to any provision of this  
2 chapter, knowing that such statement contains any false,  
3 incomplete, or misleading information concerning any fact or  
4 thing material to such claim.

5           3. To prepare or cause to be prepared any written or  
6 oral statement that is intended to be presented to any  
7 employer, insurance company, or self-insured program in  
8 connection with, or in support of, any claim for payment or  
9 other benefit pursuant to any provision of this chapter,  
10 knowing that such statement contains any false, incomplete, or  
11 misleading information concerning any fact or thing material  
12 to such claim.

13           4. To knowingly assist, conspire with, or urge any  
14 person to engage in activity prohibited by this section.

15           5. To knowingly make any false, fraudulent, or  
16 misleading oral or written statement, or to knowingly omit or  
17 conceal material information, required by s. 440.185 or s.  
18 440.381, for the purpose of obtaining workers' compensation  
19 coverage or for the purpose of avoiding, delaying, or  
20 diminishing the amount of payment of any workers' compensation  
21 premiums.

22           6. To knowingly misrepresent or conceal payroll,  
23 classification of workers, or information regarding an  
24 employer's loss history which would be material to the  
25 computation and application of an experience rating  
26 modification factor for the purpose of avoiding or diminishing  
27 the amount of payment of any workers' compensation premiums.

28           7. To knowingly present or cause to be presented any  
29 false, fraudulent, or misleading oral or written statement to  
30 any person as evidence of compliance with s. 440.38, as  
31

1 evidence of eligibility for a certificate of exemption under  
2 s. 440.05.

3 8. To knowingly violate a stop-work order issued by  
4 the department pursuant to s. 440.107.

5 9. To knowingly present or cause to be presented any  
6 false, fraudulent, or misleading oral or written statement to  
7 any person as evidence of identity for the purpose of  
8 obtaining employment or filing or supporting a claim for  
9 workers' compensation benefits.

10 (c) It shall be unlawful for any physician licensed  
11 under chapter 458, osteopathic physician licensed under  
12 chapter 459, chiropractic physician licensed under chapter  
13 460, podiatric physician licensed under chapter 461,  
14 optometric physician licensed under chapter 463, or any other  
15 practitioner licensed under the laws of this state to  
16 knowingly and willfully assist, conspire with, or urge any  
17 person to fraudulently violate any of the provisions of this  
18 chapter.

19 (d) It shall be unlawful for any person or  
20 governmental entity licensed under chapter 395 to maintain or  
21 operate a hospital in such a manner so that such person or  
22 governmental entity knowingly and willfully allows the use of  
23 the facilities of such hospital by any person, in a scheme or  
24 conspiracy to fraudulently violate any of the provisions of  
25 this chapter.

26 (e) It shall be unlawful for any attorney or other  
27 person, in his or her individual capacity or in his or her  
28 capacity as a public or private employee, or any firm,  
29 corporation, partnership, or association, to knowingly assist,  
30 conspire with, or urge any person to fraudulently violate any  
31 of the provisions of this chapter.



1 (f) If the monetary value ~~amount~~ of any ~~claim or~~  
2 ~~workers' compensation insurance premium involved in any~~  
3 violation of this subsection:

4 1. Is less than \$20,000, the offender commits a felony  
5 of the third degree, punishable as provided in s. 775.082, s.  
6 775.083, or s. 775.084.

7 2. Is \$20,000 or more, but less than \$100,000, the  
8 offender commits a felony of the second degree, punishable as  
9 provided in s. 775.082, . 775.083, or s. 775.084.

10 3. Is \$100,000 or more, the offender commits a felony  
11 of the first degree, punishable as provided in s. 775.082, s.  
12 775.083, or s. 775.084.

13 (5) It shall be unlawful for any attorney or other  
14 person, in his or her individual capacity or in his or her  
15 capacity as a public or private employee or for any firm,  
16 corporation, partnership, or association, to unlawfully  
17 solicit any business in and about city or county hospitals,  
18 courts, or any public institution or public place; in and  
19 about private hospitals or sanitariums; in and about any  
20 private institution; or upon private property of any character  
21 whatsoever for the purpose of making workers' compensation  
22 claims. Whoever violates any provision of this subsection  
23 commits a felony of the second ~~third~~ degree, punishable as  
24 provided in s. 775.082, s. 775.083, or s. 775.085.

25 (6) This section shall not be construed to preclude  
26 the applicability of any other provision of criminal law that  
27 applies or may apply to any transaction.

28 ~~(7) For the purpose of the section, the term~~  
29 ~~"statement" includes, but is not limited to, any notice,~~  
30 ~~representation, statement, proof of injury, bill for services,~~  
31

1 ~~diagnosis, prescription, hospital or doctor records, X ray,~~  
2 ~~test result, or other evidence of loss, injury, or expense.~~

3 (7)(8) An injured employee or any other party making a  
4 claim under this chapter shall provide his or her personal  
5 signature attesting that he or she has reviewed, understands,  
6 and acknowledges ~~All claim forms as provided for in this~~  
7 ~~chapter shall contain a notice that clearly states in~~  
8 ~~substance~~ the following statement: "Any person who, knowingly  
9 and with intent to injure, defraud, or deceive any employer or  
10 employee, insurance company, or self-insured program, files a  
11 statement of claim containing any false or misleading  
12 information commits insurance fraud, punishable as provided in  
13 s. 817.234." If the injured employee or other party refuses to  
14 sign the document attesting ~~Each claimant shall personally~~  
15 ~~sign the claim form and attest~~ that he or she has reviewed,  
16 understands, and acknowledges the statement, benefits or  
17 payments under this chapter shall be suspended until such  
18 signature is obtained ~~foregoing notice.~~

19 Section 12. Subsection (3) of section 440.1051,  
20 Florida Statutes, is amended to read:

21 440.1051 Fraud reports; civil immunity; criminal  
22 penalties.--

23 (2) Any person who reports workers' compensation fraud  
24 to the division under subsection (1) is immune from civil  
25 liability for doing so, and the person or entity alleged to  
26 have committed the fraud may not retaliate against him or her  
27 for providing such report, unless the person making the report  
28 knows it to be false.

29 (3) A person who calls and, knowingly and falsely,  
30 reports workers' compensation fraud or who, in violation of  
31 subsection (2) retaliates against a person for making such

1 report, ~~commits is guilty of a felony misdemeanor~~ of the third  
2 ~~first~~ degree, punishable as provided in s. 775.082, ~~or s.~~  
3 775.083, or s.775.084 both.

4 Section 13. Section 440.107, Florida Statutes, is  
5 amended to read:

6 440.107 Department powers to enforce employer  
7 compliance with coverage requirements.--

8 (1) The Legislature finds that the failure of an  
9 employer to comply with the workers' compensation coverage  
10 requirements under this chapter poses an immediate danger to  
11 public health, safety, and welfare. ~~The Legislature authorizes~~  
12 ~~the department to secure employer compliance with the workers'~~  
13 ~~compensation coverage requirements and authorizes the~~  
14 ~~department to conduct investigations for the purpose of~~  
15 ~~ensuring employer compliance.~~

16 (2) For the purposes of this section, "securing the  
17 payment of workers' compensation" means obtaining coverage  
18 that meets the requirements of this chapter and the Florida  
19 Insurance Code. However, if at any time an employer materially  
20 understates or conceals payroll, materially misrepresents or  
21 conceals employee duties so as to avoid proper classification  
22 for premium calculations, or materially misrepresents or  
23 conceals information pertinent to the computation and  
24 application of an experience rating modification factor, such  
25 employer shall be deemed to have failed to secure payment of  
26 workers' compensation and shall be subject to the sanctions  
27 set forth in this section. A stop-work order issued because an  
28 employer is deemed to have failed to secure the payment of  
29 workers' compensation required under this chapter because the  
30 employer has materially understated or concealed payroll,  
31 materially misrepresented or concealed employee duties so as

1 to avoid proper classification for premium calculations, or  
2 materially misrepresented or concealed information pertinent  
3 to the computation and application of an experience rating  
4 modification factor shall have no effect upon an employer's or  
5 carrier's duty to provide benefits under this chapter or upon  
6 any of the employer's or carrier's rights and defenses under  
7 this chapter, including exclusive remedy.~~The department and~~  
8 ~~its authorized representatives may enter and inspect any place~~  
9 ~~of business at any reasonable time for the limited purpose of~~  
10 ~~investigating compliance with workers' compensation coverage~~  
11 ~~requirements under this chapter. Each employer shall keep true~~  
12 ~~and accurate business records that contain such information as~~  
13 ~~the department prescribes by rule. The business records must~~  
14 ~~contain information necessary for the department to determine~~  
15 ~~compliance with workers' compensation coverage requirements~~  
16 ~~and must be maintained within this state by the business, in~~  
17 ~~such a manner as to be accessible within a reasonable time~~  
18 ~~upon request by the department. The business records must be~~  
19 ~~open to inspection and be available for copying by the~~  
20 ~~department at any reasonable time and place and as often as~~  
21 ~~necessary. The department may require from any employer any~~  
22 ~~sworn or unsworn reports, pertaining to persons employed by~~  
23 ~~that employer, deemed necessary for the effective~~  
24 ~~administration of the workers' compensation coverage~~  
25 ~~requirements.~~

26 (3) The department shall enforce workers' compensation  
27 coverage requirements, including the requirement that the  
28 employer secure the payment of workers' compensation, and the  
29 requirement that the employer provide the carrier with  
30 information to accurately determine payroll and correctly  
31

1 assign classification codes. In addition to any other powers  
2 under this chapter, the department shall have the power to:  
3 (a) Conduct investigations for the purpose of ensuring  
4 employer compliance.  
5 (b) Enter and inspect any place of business at any  
6 reasonable time for the purpose of investigating employer  
7 compliance.  
8 (c) Examine and copy business records.  
9 (d) Administer oaths and affirmations.  
10 (e) Certify to official acts.  
11 (f) Issue and serve subpoenas for attendance of  
12 witnesses or production of business records, books, papers,  
13 correspondence, memoranda, and other records.  
14 (g) Issue stop-work orders, penalty assessment orders,  
15 and any other orders necessary for the administration of this  
16 section.  
17 (h) Enforce the terms of a stop-work order.  
18 (i) Levy and pursue actions to recover penalties.  
19 (j) Seek injunctions and other appropriate relief. In  
20 ~~discharging its duties, the department may administer oaths~~  
21 ~~and affirmations, certify to official acts, issue subpoenas to~~  
22 ~~compel the attendance of witnesses and the production of~~  
23 ~~books, papers, correspondence, memoranda, and other records~~  
24 ~~deemed necessary by the department as evidence in order to~~  
25 ~~ensure proper compliance with the coverage provisions of this~~  
26 ~~chapter.~~  
27 (4) The department shall designate representatives who  
28 may serve subpoenas and other process of the department issued  
29 under this section.  
30  
31

1           (5) The department shall specify by rule the business  
2 records that employers must maintain and produce to comply  
3 with this section.

4           ~~(6)(4)~~ If a person has refused to obey a subpoena to  
5 appear before the department or its authorized representative  
6 or ~~and~~ produce evidence requested by the department or to give  
7 testimony about the matter that is under investigation, a  
8 court has jurisdiction to issue an order requiring compliance  
9 with the subpoena if the court has jurisdiction in the  
10 geographical area where the inquiry is being carried on or in  
11 the area where the person who has refused the subpoena is  
12 found, resides, or transacts business. Failure to obey such a  
13 court order may be punished by the court as contempt, either  
14 civilly or criminally. Costs, including reasonable attorney's  
15 fees, incurred by the department to obtain an order granting,  
16 in whole or in part, a petition to enforce a subpoena or a  
17 subpoena duces tecum shall be taxed against the subpoenaed  
18 party.

19           ~~(7)(a)(5)~~ Whenever the department determines that an  
20 employer who is required to secure the payment to his or her  
21 employees of the compensation provided for by this chapter has  
22 failed to secure the payment of workers' compensation required  
23 by this chapter or to produce the required business records  
24 under subsection (5) within 5 business days after receipt of  
25 the written request of the department ~~do so~~, such failure  
26 shall be deemed an immediate serious danger to public health,  
27 safety, or welfare sufficient to justify service by the  
28 department of a stop-work order on the employer, requiring the  
29 cessation of all business operations ~~at the place of~~  
30 ~~employment or job site.~~ If the department ~~division~~ makes such  
31 a determination, the department ~~division~~ shall issue a

1 stop-work order within 72 hours. The order shall take effect  
2 when served upon the date of service upon the employer or, for  
3 a particular employer work site, when served at that work  
4 site, unless the employer provides evidence satisfactory to  
5 the department of having secured any necessary insurance or  
6 self-insurance and pays a civil penalty to the department, to  
7 be deposited by the department into the Workers' Compensation  
8 Administration Trust Fund, in the amount of \$100 per day for  
9 each day the employer was not in compliance with this chapter.  
10 In addition to serving a stop-work order at a particular work  
11 site which shall be effective immediately, the department  
12 shall immediately proceed with service upon the employer which  
13 shall be effective upon all employer work sites in the state  
14 for which the employer is not in compliance. A stop-work order  
15 may be served with regard to an employer's work site by  
16 posting a copy of the stop-work order in a conspicuous  
17 location at the work site. The order shall remain in effect  
18 until the department issues an order releasing the stop-work  
19 order upon a finding that the employer has come into  
20 compliance with the coverage requirements of this chapter and  
21 has paid any penalty assessed under this section. The  
22 department may require an employer who is found to have failed  
23 to comply with the coverage requirements of s. 440.38 to file  
24 with the department, as a condition of release from a  
25 stop-work order, periodic reports for a probationary period  
26 that shall not exceed 2 years that demonstrate the employer's  
27 continued compliance with this chapter. The department shall  
28 by rule specify the reports required and the time for filing  
29 under this subsection.  
30 (b) Stop-work orders and penalty assessment orders  
31 issued under this section against a corporation, partnership,

1 or sole proprietorship shall be in effect against any  
2 successor corporation or business entity that has one or more  
3 of the same principals or officers as the corporation or  
4 partnership against which the stop-work order was issued and  
5 are engaged in the same or equivalent trade or activity.

6 (c) The department shall assess a penalty of \$1,000  
7 per day against an employer for each day that the employer  
8 conducts business operations that are in violation of a  
9 stop-work order.

10 (d)1. In addition to any penalty, stop-work order, or  
11 injunction, the department shall assess against any employer  
12 who has failed to secure the payment of compensation as  
13 required by this chapter a penalty equal to 1.5 times the  
14 amount the employer would have paid in premium when applying  
15 approved manual rates to the employer's payroll during periods  
16 for which it failed to secure the payment of workers'  
17 compensation required by this chapter within the preceding  
18 3-year period or \$1,000, whichever is greater.

19 2. Any subsequent violation within 5 years after the  
20 most recent violation shall, in addition to the penalties set  
21 forth in this subsection, be deemed a knowing act within the  
22 meaning of s. 440.105.

23 (e) When an employer fails to provide business records  
24 sufficient to enable the department to determine the  
25 employer's payroll for the period requested for the  
26 calculation of the penalty provided in paragraph (d), for  
27 penalty calculation purposes, the imputed weekly payroll for  
28 each employee, corporate officer, sole proprietor, or partner  
29 shall be the statewide average weekly wage as defined in s.  
30 440.12(2) multiplied by 1.5.

31



1           (f) In addition to any other penalties provided for in  
2 this chapter, the department may assess against the employer a  
3 penalty of \$5,000 for each employee of that employer who the  
4 employer represents to the department or carrier as an  
5 independent contractor but who is determined by the department  
6 not to be an independent contractor as defined in s. 440.02.

7           ~~(8)(6)~~ In addition to the issuance of a stop-work  
8 order under subsection (7), the department may file a  
9 complaint in the circuit court in and for Leon County to  
10 enjoin any employer, who has failed to secure the payment of  
11 workers' compensation as required by this chapter, from  
12 employing individuals and from conducting business until the  
13 employer presents evidence satisfactory to the department of  
14 having secured the payment of workers' for compensation  
15 required by this chapter and pays a civil penalty assessed by  
16 to the department under this section, to be deposited by the  
17 department into the Workers' Compensation Administration Trust  
18 Fund, in the amount of \$100 per day for each day the employer  
19 was not in compliance with this chapter.

20           ~~(9)(7)~~ In addition to any penalty, stop-work order, or  
21 injunction, the department shall assess against any employer,  
22 who has failed to secure the payment of compensation as  
23 required by this chapter, a penalty in the following amount:

24           ~~(a)~~ An amount equal to at least the amount that the  
25 employer would have paid or up to twice the amount the  
26 employer would have paid during periods it illegally failed to  
27 secure payment of compensation in the preceding 3-year period  
28 based on the employer's payroll during the preceding 3-year  
29 period; or

30           ~~(b)~~ One thousand dollars, whichever is greater. Any  
31 penalty assessed under this subsection is due within 30 days

1 ~~after the date on which the employer is notified, except that,~~  
2 ~~if the department has posted a stop-work order or obtained~~  
3 ~~injunctive relief against the employer, payment is due, in~~  
4 ~~addition to those conditions set forth in this section, as a~~  
5 ~~condition to relief from a stop-work order or an injunction.~~  
6 ~~Interest shall accrue on amounts not paid when due at the rate~~  
7 ~~of 1 percent per month. The department division shall adopt~~  
8 rules to administer this section.

9 (10)~~(8)~~ The department may bring an action in circuit  
10 court to recover penalties assessed under this section,  
11 including any interest owed to the department pursuant to this  
12 section. In any action brought by the department pursuant to  
13 this section in which it prevails, the circuit court shall  
14 award costs, including the reasonable costs of investigation  
15 and a reasonable attorney's fee.

16 (11)~~(9)~~ Any judgment obtained by the department and  
17 any penalty due pursuant to the service of a stop-work order  
18 or otherwise due under this section shall, until collected,  
19 constitute a lien upon the entire interest of the employer,  
20 legal or equitable, in any property, real or personal,  
21 tangible or intangible; however, such lien is subordinate to  
22 claims for unpaid wages and any prior recorded liens, and a  
23 lien created by this section is not valid against any person  
24 who, subsequent to such lien and in good faith and for value,  
25 purchases real or personal property from such employer or  
26 becomes the mortgagee on real or personal property of such  
27 employer, or against a subsequent attaching creditor, unless,  
28 with respect to real estate of the employer, a notice of the  
29 lien is recorded in the public records of the county where the  
30 real estate is located, and with respect to personal property  
31

1 of the employer, the notice is recorded with the Secretary of  
2 State.

3 (12)~~(10)~~ Any law enforcement agency in the state may,  
4 at the request of the department, render any assistance  
5 necessary to carry out the provisions of this section,  
6 including, but not limited to, preventing any employee or  
7 other person from remaining at a place of employment or job  
8 site after a stop-work order or injunction has taken effect.

9 (13)~~(11)~~ Agency action ~~Actions~~ by the department under  
10 this section, if contested, must be contested as provided in  
11 chapter 120. All ~~civil~~ penalties assessed by the department  
12 must be paid into the Workers' Compensation Administration  
13 Trust Fund. ~~The department shall return any sums previously~~  
14 ~~paid, upon conclusion of an action, if the department fails to~~  
15 ~~prevail and if so directed by an order of court or an~~  
16 ~~administrative hearing officer. The requirements of this~~  
17 ~~subsection may be met by posting a bond in an amount equal to~~  
18 ~~twice the penalty and in a form approved by the department.~~

19 (14)~~(12)~~ If the department ~~division~~ finds that an  
20 employer who is certified or registered under part I or part  
21 II of chapter 489 and who is required to secure the payment of  
22 workers'~~the~~ compensation under ~~provided for by~~ this chapter  
23 to his or her employees has failed to do so, the department  
24 ~~division~~ shall immediately notify the Department of Business  
25 and Professional Regulation.

26 Section 14. Subsections (1) and (3) of section 440.11,  
27 Florida Statutes, are amended to read:

28 440.11 Exclusiveness of liability.--

29 (1) The liability of an employer prescribed in s.  
30 440.10 shall be exclusive and in place of all other liability,  
31 including vicarious liability, of such employer to any

1 third-party tortfeasor and to the employee, the legal  
2 representative thereof, husband or wife, parents, dependents,  
3 next of kin, and anyone otherwise entitled to recover damages  
4 from such employer at law or in admiralty on account of such  
5 injury or death, except as follows:~~that~~

6 (a) If an employer fails to secure payment of  
7 compensation as required by this chapter, an injured employee,  
8 or the legal representative thereof in case death results from  
9 the injury, may elect to claim compensation under this chapter  
10 or to maintain an action at law or in admiralty for damages on  
11 account of such injury or death. In such action the defendant  
12 may not plead as a defense that the injury was caused by  
13 negligence of a fellow employee, that the employee assumed the  
14 risk of the employment, or that the injury was due to the  
15 comparative negligence of the employee.

16 (b) When an employer commits an intentional tort that  
17 causes the injury or death of the employee. For purposes of  
18 this paragraph, an employer's actions shall be deemed to  
19 constitute an intentional tort and not an accident only when  
20 the employee proves, by clear and convincing evidence, that:

21 1. The employer deliberately intended to injure the  
22 employee; or

23 2. The employer engaged in conduct that the employer  
24 knew, based on prior similar accidents or on explicit warnings  
25 specifically identifying a known danger, was virtually certain  
26 to result in injury or death to the employee, and the employee  
27 was not aware of the risk because the danger was not apparent  
28 and the employer deliberately concealed or misrepresented the  
29 danger so as to prevent the employee from exercising informed  
30 judgment about whether to perform the work.

31

1 The same immunities from liability enjoyed by an employer  
2 shall extend as well to each employee of the employer when  
3 such employee is acting in furtherance of the employer's  
4 business and the injured employee is entitled to receive  
5 benefits under this chapter. Such fellow-employee immunities  
6 shall not be applicable to an employee who acts, with respect  
7 to a fellow employee, with willful and wanton disregard or  
8 unprovoked physical aggression or with gross negligence when  
9 such acts result in injury or death or such acts proximately  
10 cause such injury or death, nor shall such immunities be  
11 applicable to employees of the same employer when each is  
12 operating in the furtherance of the employer's business but  
13 they are assigned primarily to unrelated works within private  
14 or public employment. The same immunity provisions enjoyed by  
15 an employer shall also apply to any sole proprietor, partner,  
16 corporate officer or director, supervisor, or other person who  
17 in the course and scope of his or her duties acts in a  
18 managerial or policymaking capacity and the conduct which  
19 caused the alleged injury arose within the course and scope of  
20 said managerial or policymaking duties and was not a violation  
21 of a law, whether or not a violation was charged, for which  
22 the maximum penalty which may be imposed does not exceed 60  
23 days' imprisonment as set forth in s. 775.082. The immunity  
24 from liability provided in this subsection extends to county  
25 governments with respect to employees of county constitutional  
26 officers whose offices are funded by the board of county  
27 commissioners.

28 (3) An employer's workers' compensation carrier,  
29 service agent, or safety consultant shall not be liable as a  
30 third-party tortfeasor to employees of the employer or  
31 employees of its subcontractors for assisting the employer and

1 its subcontractors, if any,in carrying out the employer's  
2 rights and responsibilities under this chapter by furnishing  
3 any safety inspection, safety consultative service, or other  
4 safety service incidental to the workers' compensation or  
5 employers' liability coverage or to the workers' compensation  
6 or employer's liability servicing contract. Without  
7 limitation, a safety consultant may include an owner, as  
8 defined in chapter 713, or an owner's related, affiliated, or  
9 subsidiary companies and the employees of each.The exclusion  
10 from liability under this subsection shall not apply in any  
11 case in which injury or death is proximately caused by the  
12 willful and unprovoked physical aggression, or by the  
13 negligent operation of a motor vehicle, by employees,  
14 officers, or directors of the employer's workers' compensation  
15 carrier, service agent, or safety consultant.

16 Section 15. Section 440.13, Florida Statutes, is  
17 amended to read:

18 440.13 Medical services and supplies; penalty for  
19 violations; limitations.--

20 (1) DEFINITIONS.--As used in this section, the term:

21 (a) "Alternate medical care" means a change in  
22 treatment or health care provider.

23 (b) "Attendant care" means care rendered by trained  
24 professional attendants which is beyond the scope of household  
25 duties. Family members may provide nonprofessional attendant  
26 care, but may not be compensated under this chapter for care  
27 that falls within the scope of household duties and other  
28 services normally and gratuitously provided by family members.  
29 "Family member" means a spouse, father, mother, brother,  
30 sister, child, grandchild, father-in-law, mother-in-law, aunt,  
31 or uncle.

1 (c) "Carrier" means, for purposes of this section,  
2 insurance carrier, self-insurance fund or individually  
3 self-insured employer, or assessable mutual insurer.

4 ~~(d) "Catastrophic injury" means an injury as defined~~  
5 ~~in s. 440.02.~~

6 (d)~~(e)~~ "Certified health care provider" means a health  
7 care provider who has been certified by the agency or who has  
8 entered an agreement with a licensed managed care organization  
9 to provide treatment to injured workers under this section.  
10 Certification of such health care provider must include  
11 documentation that the health care provider has read and is  
12 familiar with the portions of the statute, impairment guides,  
13 practice parameters, protocols of treatment, and rules which  
14 govern the provision of remedial treatment, care, and  
15 attendance.

16 (e)~~(f)~~ "Compensable" means a determination by a  
17 carrier or judge of compensation claims that a condition  
18 suffered by an employee results from an injury arising out of  
19 and in the course of employment.

20 (f)~~(g)~~ "Emergency services and care" means emergency  
21 services and care as defined in s. 395.002.

22 (g)~~(h)~~ "Health care facility" means any hospital  
23 licensed under chapter 395 and any health care institution  
24 licensed under chapter 400.

25 (h)~~(i)~~ "Health care provider" means a physician or any  
26 recognized practitioner who provides skilled services pursuant  
27 to a prescription or under the supervision or direction of a  
28 physician and who has been certified by the agency as a health  
29 care provider. The term "health care provider" includes a  
30 health care facility.

31

1            (i)~~(j)~~ "Independent medical examiner" means a  
2 physician selected by either an employee or a carrier to  
3 render one or more independent medical examinations in  
4 connection with a dispute arising under this chapter.

5            (j)~~(k)~~ "Independent medical examination" means an  
6 objective evaluation of the injured employee's medical  
7 condition, including, but not limited to, impairment or work  
8 status, performed by a physician or an expert medical advisor  
9 at the request of a party, a judge of compensation claims, or  
10 the agency to assist in the resolution of a dispute arising  
11 under this chapter.

12            (k)~~(l)~~ "Instance of overutilization" means a specific  
13 inappropriate service or level of service provided to an  
14 injured employee that includes the provision of treatment in  
15 excess of established practice parameters and protocols of  
16 treatment established in accordance with this chapter.

17            (l)~~(m)~~ "Medically necessary" or "medical necessity"  
18 means any medical service or medical supply which is used to  
19 identify or treat an illness or injury, is appropriate to the  
20 patient's diagnosis and status of recovery, and is consistent  
21 with the location of service, the level of care provided, and  
22 applicable practice parameters. The service should be widely  
23 accepted among practicing health care providers, based on  
24 scientific criteria, and determined to be reasonably safe. The  
25 service must not be of an experimental, investigative, or  
26 research nature, ~~except in those instances in which prior~~  
27 ~~approval of the Agency for Health Care Administration has been~~  
28 ~~obtained. The Agency for Health Care Administration shall~~  
29 ~~adopt rules providing for such approval on a case-by-case~~  
30 ~~basis when the service or supply is shown to have significant~~  
31 ~~benefits to the recovery and well-being of the patient.~~



1           (m)~~(n)~~ "Medicine" means a drug prescribed by an  
2 authorized health care provider and includes only generic  
3 drugs or single-source patented drugs for which there is no  
4 generic equivalent, unless the authorized health care provider  
5 writes or states that the brand-name drug as defined in s.  
6 465.025 is medically necessary, or is a drug appearing on the  
7 schedule of drugs created pursuant to s. 465.025(6), or is  
8 available at a cost lower than its generic equivalent.

9           (n)~~(o)~~ "Palliative care" means noncurative medical  
10 services that mitigate the conditions, effects, or pain of an  
11 injury.

12           (o)~~(p)~~ "Pattern or practice of overutilization" means  
13 repetition of instances of overutilization within a specific  
14 medical case or multiple cases by a single health care  
15 provider.

16           (p)~~(q)~~ "Peer review" means an evaluation by two or  
17 more physicians licensed under the same authority and with the  
18 same or similar specialty as the physician under review, of  
19 the appropriateness, quality, and cost of health care and  
20 health services provided to a patient, based on medically  
21 accepted standards.

22           (q)~~(r)~~ "Physician" or "doctor" means a physician  
23 licensed under chapter 458, an osteopathic physician licensed  
24 under chapter 459, a chiropractic physician licensed under  
25 chapter 460, a podiatric physician licensed under chapter 461,  
26 an optometrist licensed under chapter 463, or a dentist  
27 licensed under chapter 466, each of whom must be certified by  
28 the agency as a health care provider.

29           (r)~~(s)~~ "Reimbursement dispute" means any disagreement  
30 between a health care provider or health care facility and  
31 carrier concerning payment for medical treatment.

1           (s)~~(t)~~ "Utilization control" means a systematic  
2 process of implementing measures that assure overall  
3 management and cost containment of services delivered,  
4 including compliance with practice parameters and protocols of  
5 treatment as provided for in this chapter.

6           (t)~~(u)~~ "Utilization review" means the evaluation of  
7 the appropriateness of both the level and the quality of  
8 health care and health services provided to a patient,  
9 including, but not limited to, evaluation of the  
10 appropriateness of treatment, hospitalization, or office  
11 visits based on medically accepted standards. Such evaluation  
12 must be accomplished by means of a system that identifies the  
13 utilization of medical services based on practice parameters  
14 and protocols of treatment as provided for in this chapter  
15 ~~medically accepted standards as established by medical~~  
16 ~~consultants with qualifications similar to those providing the~~  
17 ~~care under review, and that refers patterns and practices of~~  
18 ~~overutilization to the agency.~~

19           (2) MEDICAL TREATMENT; DUTY OF EMPLOYER TO FURNISH.--

20           (a) Subject to the limitations specified elsewhere in  
21 this chapter, the employer shall furnish to the employee such  
22 medically necessary remedial treatment, care, and attendance  
23 for such period as the nature of the injury or the process of  
24 recovery may require, which is in accordance with established  
25 practice parameters and protocols of treatment as provided for  
26 in this chapter, including medicines, medical supplies,  
27 durable medical equipment, orthoses, prostheses, and other  
28 medically necessary apparatus. Remedial treatment, care, and  
29 attendance, including work-hardening programs or  
30 pain-management programs accredited by the Commission on  
31 Accreditation of Rehabilitation Facilities or Joint Commission

1 on the Accreditation of Health Organizations or  
2 pain-management programs affiliated with medical schools,  
3 shall be considered as covered treatment only when such care  
4 is given based on a referral by a physician as defined in this  
5 chapter. ~~Each facility shall maintain outcome data, including~~  
6 ~~work status at discharges, total program charges, total number~~  
7 ~~of visits, and length of stay. The department shall utilize~~  
8 ~~such data and report to the President of the Senate and the~~  
9 ~~Speaker of the House of Representatives regarding the efficacy~~  
10 ~~and cost-effectiveness of such program, no later than October~~  
11 ~~1, 1994.~~ Medically necessary treatment, care, and attendance  
12 does not include chiropractic services in excess of 24 ~~18~~  
13 treatments or rendered 12 ~~8~~ weeks beyond the date of the  
14 initial chiropractic treatment, whichever comes first, unless  
15 the carrier authorizes additional treatment or the employee is  
16 catastrophically injured.

17 (b) The employer shall provide appropriate  
18 professional or nonprofessional attendant care performed only  
19 at the direction and control of a physician when such care is  
20 medically necessary. The physician shall prescribe such care  
21 in writing. The employer or carrier shall not be responsible  
22 for such care until the prescription for attendant care is  
23 received by the employer and carrier, which shall specify the  
24 time periods for such care, the level of care required, and  
25 the type of assistance required. A prescription for attendant  
26 care shall not prescribe such care retroactively. The value of  
27 nonprofessional attendant care provided by a family member  
28 must be determined as follows:

29 1. If the family member is not employed or if the  
30 family member is employed and is providing attendant care  
31 services during hours that he or she is not engaged in

1 employment, the per-hour value equals the federal minimum  
2 hourly wage.

3         2. If the family member is employed and elects to  
4 leave that employment to provide attendant or custodial care,  
5 the per-hour value of that care equals the per-hour value of  
6 the family member's former employment, not to exceed the  
7 per-hour value of such care available in the community at  
8 large. A family member or a combination of family members  
9 providing nonprofessional attendant care under this paragraph  
10 may not be compensated for more than a total of 12 hours per  
11 day.

12         3. If the family member remains employed while  
13 providing attendant or custodial care, the per-hour value of  
14 that care equals the per-hour value of the family member's  
15 employment, not to exceed the per-hour value of such care  
16 available in the community at large.

17         (c) If the employer fails to provide initial treatment  
18 or care required by this section after request by the injured  
19 employee, the employee may obtain such initial treatment at  
20 the expense of the employer, if the initial treatment or care  
21 is compensable and medically necessary and is in accordance  
22 with established practice parameters and protocols of  
23 treatment as provided for in this chapter. There must be a  
24 specific request for the initial treatment or care, and the  
25 employer or carrier must be given a reasonable time period  
26 within which to provide the initial treatment or care.  
27 However, the employee is not entitled to recover any amount  
28 personally expended for the initial treatment or care ~~service~~  
29 unless he or she has requested the employer to furnish that  
30 initial treatment or service and the employer has failed,  
31 refused, or neglected to do so within a reasonable time or

1 unless the nature of the injury requires such initial  
2 treatment, nursing, and services and the employer or his or  
3 her superintendent or foreman, having knowledge of the injury,  
4 has neglected to provide the initial treatment or care  
5 ~~service~~.

6 (d) The carrier has the right to transfer the care of  
7 an injured employee from the attending health care provider if  
8 an independent medical examination determines that the  
9 employee is not making appropriate progress in recuperation.

10 (e) Except in emergency situations and for treatment  
11 rendered by a managed care arrangement, after any initial  
12 examination and diagnosis by a physician providing remedial  
13 treatment, care, and attendance, and before a proposed course  
14 of medical treatment begins, each insurer shall review, in  
15 accordance with the requirements of this chapter, the proposed  
16 course of treatment, to determine whether such treatment would  
17 be recognized as reasonably prudent. The review must be in  
18 accordance with all applicable workers' compensation practice  
19 parameters and protocols of treatment established in  
20 accordance with this chapter. The insurer must accept any such  
21 proposed course of treatment unless the insurer notifies the  
22 physician of its specific objections to the proposed course of  
23 treatment by the close of the tenth business day after  
24 notification by the physician, or a supervised designee of the  
25 physician, of the proposed course of treatment.

26 (f) Upon the written request of the employee, the  
27 carrier shall give the employee the opportunity for one change  
28 of physician during the course of treatment for any one  
29 accident. Upon the granting of a change of physician, the  
30 originally authorized physician in the same specialty as the  
31 changed physician shall become deauthorized upon written

1 notification by the employer or carrier. The carrier shall  
2 authorize an alternative physician who shall not be  
3 professionally affiliated with the previous physician within 5  
4 days after receipt of the request. If the carrier fails to  
5 provide a change of physician as requested by the employee,  
6 the employee may select the physician and such physician shall  
7 be considered authorized if the treatment being provided is  
8 compensable and medically necessary.

9  
10 Failure of the carrier to timely comply with this subsection  
11 shall be a violation of this chapter and the carrier shall be  
12 subject to penalties as provided for in s. 440.525. ~~The~~  
13 ~~employee shall be entitled to select another physician from~~  
14 ~~among not fewer than three carrier-authorized physicians who~~  
15 ~~are not professionally affiliated.~~

16 (3) PROVIDER ELIGIBILITY; AUTHORIZATION.--

17 (a) As a condition to eligibility for payment under  
18 this chapter, a health care provider who renders services must  
19 be a certified health care provider and must receive  
20 authorization from the carrier before providing treatment.  
21 This paragraph does not apply to emergency care. The agency  
22 shall adopt rules to implement the certification of health  
23 care providers.

24 (b) A health care provider who renders emergency care  
25 must notify the carrier by the close of the third business day  
26 after it has rendered such care. If the emergency care results  
27 in admission of the employee to a health care facility, the  
28 health care provider must notify the carrier by telephone  
29 within 24 hours after initial treatment. Emergency care is not  
30 compensable under this chapter unless the injury requiring  
31 emergency care arose as a result of a work-related accident.

1 Pursuant to chapter 395, all licensed physicians and health  
2 care providers in this state shall be required to make their  
3 services available for emergency treatment of any employee  
4 eligible for workers' compensation benefits. To refuse to make  
5 such treatment available is cause for revocation of a license.

6 (c) A health care provider may not refer the employee  
7 to another health care provider, diagnostic facility, therapy  
8 center, or other facility without prior authorization from the  
9 carrier, except when emergency care is rendered. Any referral  
10 must be to a health care provider that has been certified by  
11 the agency, unless the referral is for emergency treatment,  
12 and the referral must be made in accordance with practice  
13 parameters and protocols of treatment as provided for in this  
14 chapter.

15 (d) A carrier must respond, by telephone or in  
16 writing, to a request for authorization from an authorized  
17 health care provider by the close of the third business day  
18 after receipt of the request. A carrier who fails to respond  
19 to a written request for authorization for referral for  
20 medical treatment by the close of the third business day after  
21 receipt of the request consents to the medical necessity for  
22 such treatment. All such requests must be made to the carrier.  
23 Notice to the carrier does not include notice to the employer.

24 (e) Carriers shall adopt procedures for receiving,  
25 reviewing, documenting, and responding to requests for  
26 authorization. Such procedures shall be for a health care  
27 provider certified under this section.

28 (f) By accepting payment under this chapter for  
29 treatment rendered to an injured employee, a health care  
30 provider consents to the jurisdiction of the agency as set  
31 forth in subsection (11) and to the submission of all records

1 and other information concerning such treatment to the agency  
2 in connection with a reimbursement dispute, audit, or review  
3 as provided by this section. The health care provider must  
4 further agree to comply with any decision of the agency  
5 rendered under this section.

6 (g) The employee is not liable for payment for medical  
7 treatment or services provided pursuant to this section except  
8 as otherwise provided in this section.

9 (h) The provisions of s. 456.053 are applicable to  
10 referrals among health care providers, as defined in  
11 subsection (1), treating injured workers.

12 (i) Notwithstanding paragraph (d), a claim for  
13 specialist consultations, surgical operations,  
14 physiotherapeutic or occupational therapy procedures, X-ray  
15 examinations, or special diagnostic laboratory tests that cost  
16 more than \$1,000 and other specialty services that the agency  
17 identifies by rule is not valid and reimbursable unless the  
18 services have been expressly authorized by the carrier, or  
19 unless the carrier has failed to respond within 10 days to a  
20 written request for authorization, or unless emergency care is  
21 required. The insurer shall ~~not refuse to~~ authorize such  
22 consultation or procedure unless the health care provider or  
23 facility is not authorized or certified, unless such treatment  
24 is not in accordance with practice parameters and protocols of  
25 treatment established in this chapter, or unless a judge of  
26 compensation claims ~~an expert medical advisor~~ has determined  
27 that the consultation or procedure is not medically necessary,  
28 not in accordance with the practice parameters and protocols  
29 of treatment established in this chapter, or otherwise not  
30 compensable under this chapter. Authorization of a treatment  
31 plan does not constitute express authorization for purposes of



1 this section, except to the extent the carrier provides  
2 otherwise in its authorization procedures. This paragraph does  
3 not limit the carrier's obligation to identify and disallow  
4 overutilization or billing errors.

5 (j) Notwithstanding anything in this chapter to the  
6 contrary, a sick or injured employee shall be entitled, at all  
7 times, to free, full, and absolute choice in the selection of  
8 the pharmacy or pharmacist dispensing and filling  
9 prescriptions for medicines required under this chapter. It is  
10 expressly forbidden for the agency, an employer, or a carrier,  
11 or any agent or representative of the agency, an employer, or  
12 a carrier to select the pharmacy or pharmacist which the sick  
13 or injured employee must use; condition coverage or payment on  
14 the basis of the pharmacy or pharmacist utilized; or to  
15 otherwise interfere in the selection by the sick or injured  
16 employee of a pharmacy or pharmacist.

17 (4) NOTICE OF TREATMENT TO CARRIER; FILING WITH  
18 DEPARTMENT.--

19 (a) Any health care provider providing necessary  
20 remedial treatment, care, or attendance to any injured worker  
21 shall submit treatment reports to the carrier in a format  
22 prescribed by the department ~~in consultation with the agency.~~  
23 A claim for medical or surgical treatment is not valid or  
24 enforceable against such employer or employee, unless, by the  
25 close of the third business day following the first treatment,  
26 the physician providing the treatment furnishes to the  
27 employer or carrier a preliminary notice of the injury and  
28 treatment in a format ~~on forms~~ prescribed by the department ~~in~~  
29 ~~consultation with the agency~~ and, within 15 days thereafter,  
30 furnishes to the employer or carrier a complete report, and  
31 subsequent thereto furnishes progress reports, if requested by

1 the employer or insurance carrier, at intervals of not less  
2 than 3 weeks apart or at less frequent intervals if requested  
3 in a format on forms prescribed by the department ~~in~~  
4 ~~consultation with the agency.~~

5 (b) Upon the request of the department ~~or agency~~, each  
6 medical report or bill obtained or received by the employer,  
7 the carrier, or the injured employee, or the attorney for the  
8 employer, carrier, or injured employee, with respect to the  
9 remedial treatment, care, and attendance of the injured  
10 employee, including any report of an examination, diagnosis,  
11 or disability evaluation, must be produced by the health care  
12 provider to filed with the department ~~or agency~~ pursuant to  
13 rules adopted by the department ~~in consultation with the~~  
14 ~~agency~~. The health care provider shall also furnish to the  
15 injured employee or ~~to~~ his or her attorney and the employer or  
16 carrier or its attorney, on demand, a copy of his or her  
17 office chart, records, and reports, and may charge the injured  
18 employee no more than 50 cents per page for copying the  
19 records and the actual direct cost to the health care provider  
20 or health care facility for X rays, microfilm, or other  
21 nonpaper records ~~an amount authorized by the department for~~  
22 ~~the copies~~. Each such health care provider shall provide to  
23 the ~~agency or~~ department information about the remedial  
24 treatment, care, and attendance which the ~~agency or~~ department  
25 reasonably requests.

26 (c) It is the policy for the administration of the  
27 workers' compensation system that there shall be reasonable  
28 access to medical information by all parties to facilitate the  
29 self-executing features of the law. An employee who reports an  
30 injury or illness alleged to be work-related waives any  
31 physician-patient privilege with respect to any condition or

1 complaint reasonably related to the condition for which the  
2 employee claims compensation.Notwithstanding the limitations  
3 in s. 456.057 and subject to the limitations in s. 381.004,  
4 upon the request of the employer, the carrier, an authorized  
5 qualified rehabilitation provider, or the attorney for the  
6 employer or carrier, the medical records, reports, and  
7 information of an injured employee relevant to the particular  
8 injury or illness for which compensation is sought must be  
9 furnished to those persons and the medical condition of the  
10 injured employee must be discussed with those persons, if the  
11 records and the discussions are restricted to conditions  
12 relating to the workplace injury. Release of medical  
13 information by the health care provider or other physician  
14 does not require the authorization of the injured employee. If  
15 medical records, reports, and information of an injured  
16 employee are sought from health care providers who are not  
17 subject to the jurisdiction of the state, the injured employee  
18 shall sign an authorization allowing for the employer or  
19 carrier to obtain the medical records, reports, or  
20 information.Any such discussions or release of information  
21 may be held before or after the filing of a claim or petition  
22 for benefits without the knowledge, consent, or presence of  
23 any other party or his or her agent or representative. A  
24 health care provider who willfully refuses to provide medical  
25 records or to discuss the medical condition of the injured  
26 employee, after a reasonable request is made for such  
27 information pursuant to this subsection, shall be subject by  
28 the department ~~agency~~ to one or more of the penalties set  
29 forth in paragraph (8)(b). The department may adopt rules to  
30 carry out this subsection.

31 (5) INDEPENDENT MEDICAL EXAMINATIONS.--

1           (a) In any dispute concerning overutilization, medical  
2 benefits, compensability, or disability under this chapter,  
3 the carrier or the employee may select an independent medical  
4 examiner. If the parties agree, the examiner may be a health  
5 care provider treating or providing other care to the  
6 employee. An independent medical examiner may not render an  
7 opinion outside his or her area of expertise, as demonstrated  
8 by licensure and applicable practice parameters. The employer  
9 and employee shall be entitled to only one independent medical  
10 examination per accident and not one independent medical  
11 examination per medical specialty. The party requesting and  
12 selecting the independent medical examination shall be  
13 responsible for all expenses associated with said examination,  
14 including, but not limited to, medically necessary diagnostic  
15 testing performed and physician or medical care provider fees  
16 for the evaluation. The party selecting the independent  
17 medical examination shall identify the choice of the  
18 independent medical examiner to all other parties within 15  
19 days after the date the independent medical examination is to  
20 take place. Failure to timely provide such notification shall  
21 preclude the requesting party from submitting the findings of  
22 such independent medical examiner in a proceeding before a  
23 judge of compensation claims. The independent medical examiner  
24 may not provide followup care if such recommendation for care  
25 is found to be medically necessary. If the employee prevails  
26 in a medical dispute as determined in an order by a judge of  
27 compensation claims or if benefits are paid or treatment  
28 provided after the employee has obtained an independent  
29 medical examination based upon the examiner's findings, the  
30 costs of such examination shall be paid by the employer or  
31 carrier.

1           (b) Each party is bound by his or her selection of an  
2 independent medical examiner, including the selection of the  
3 independent medical examiner in accordance with s. 440.134 and  
4 the opinions of such independent medical examiner. Each party  
5 ~~and~~ is entitled to an alternate examiner only if:

6           1. The examiner is not qualified to render an opinion  
7 upon an aspect of the employee's illness or injury which is  
8 material to the claim or petition for benefits;

9           2. The examiner ceases to practice in the specialty  
10 relevant to the employee's condition;

11           3. The examiner is unavailable due to injury, death,  
12 or relocation outside a reasonably accessible geographic area;  
13 or

14           4. The parties agree to an alternate examiner.  
15

16 ~~Any party may request, or a judge of compensation claims may~~  
17 ~~require, designation of an agency medical advisor as an~~  
18 ~~independent medical examiner. The opinion of the advisors~~  
19 ~~acting as examiners shall not be afforded the presumption set~~  
20 ~~forth in paragraph (9)(c).~~

21           (c) The carrier may, at its election, contact the  
22 claimant directly to schedule a reasonable time for an  
23 independent medical examination. The carrier must confirm the  
24 scheduling agreement in writing with the claimant and the  
25 ~~within 5 days and notify~~ claimant's counsel, if any, at least  
26 7 days before the date upon which the independent medical  
27 examination is scheduled to occur. An attorney representing a  
28 claimant is not authorized to schedule the self-insured  
29 employer's or carrier's independent medical evaluations under  
30 this subsection. Neither the self-insured employer nor the  
31 carrier shall be responsible for scheduling any independent

1 medical examination other than an employer or carrier  
2 independent medical examination.

3 (d) If the employee fails to appear for the  
4 independent medical examination scheduled by the employer or  
5 carrier without good cause and fails to advise the physician  
6 at least 24 hours before the scheduled date for the  
7 examination that he or she cannot appear, the employee is  
8 barred from recovering compensation for any period during  
9 which he or she has refused to submit to such examination.  
10 Further, the employee shall reimburse the employer or carrier  
11 50 percent of the physician's cancellation or no-show fee  
12 unless the employer or carrier that schedules the examination  
13 fails to timely provide to the employee a written confirmation  
14 of the date of the examination pursuant to paragraph (c) which  
15 includes an explanation of why he or she failed to appear. The  
16 employee may appeal to a judge of compensation claims for  
17 reimbursement when the employer or carrier withholds payment  
18 in excess of the authority granted by this section.

19 (e) No medical opinion other than the opinion of a  
20 medical advisor appointed by the judge of compensation claims  
21 or the department ~~agency~~, an independent medical examiner, or  
22 an authorized treating provider is admissible in proceedings  
23 before the judges of compensation claims.

24 (f) Attorney's fees incurred by an injured employee in  
25 connection with delay of or opposition to an independent  
26 medical examination, including, but not limited to, motions  
27 for protective orders, are not recoverable under this chapter.

28 (g) When a medical dispute arises, the parties may  
29 mutually agree to refer the employee to a licensed physician  
30 specializing in the diagnosis and treatment of the medical  
31 condition at issue for an independent medical examination and

1 report. Such medical examination shall be referred to as a  
2 "consensus independent medical examination." The findings and  
3 conclusions of such mutually agreed upon consensus independent  
4 medical examination shall be binding on the parties and shall  
5 constitute resolution of the medical dispute addressed in the  
6 independent consensus medical examination and in any  
7 proceeding. Agreement by the parties to a consensus  
8 independent medical examination shall not affect the  
9 employer's, carrier's, or employee's entitlement to one  
10 independent medical examination per accident as provided for  
11 in this subsection.

12 (6) UTILIZATION REVIEW.--Carriers shall review all  
13 bills, invoices, and other claims for payment submitted by  
14 health care providers in order to identify overutilization and  
15 billing errors, including compliance with practice parameters  
16 and protocols of treatment established in accordance with this  
17 chapter, and may hire peer review consultants or conduct  
18 independent medical evaluations. Such consultants, including  
19 peer review organizations, are immune from liability in the  
20 execution of their functions under this subsection to the  
21 extent provided in s. 766.101. If a carrier finds that  
22 overutilization of medical services or a billing error has  
23 occurred, or there is a violation of the practice parameters  
24 and protocols of treatment established in accordance with this  
25 chapter, it must disallow or adjust payment for such services  
26 or error without order of a judge of compensation claims or  
27 the agency, if the carrier, in making its determination, has  
28 complied with this section and rules adopted by the agency.

29 (7) UTILIZATION AND REIMBURSEMENT DISPUTES.--

30 (a) Any health care provider, carrier, or employer who  
31 elects to contest the disallowance or adjustment of payment by

1 a carrier under subsection (6) must, within 30 days after  
2 receipt of notice of disallowance or adjustment of payment,  
3 petition the agency to resolve the dispute. The petitioner  
4 must serve a copy of the petition on the carrier and on all  
5 affected parties by certified mail. The petition must be  
6 accompanied by all documents and records that support the  
7 allegations contained in the petition. Failure of a petitioner  
8 to submit such documentation to the agency results in  
9 dismissal of the petition.

10 (b) The carrier must submit to the agency within 10  
11 days after receipt of the petition all documentation  
12 substantiating the carrier's disallowance or adjustment.  
13 Failure of the carrier to timely submit the requested  
14 documentation to the agency within 10 days constitutes a  
15 waiver of all objections to the petition.

16 (c) Within 60 days after receipt of all documentation,  
17 the agency must provide to the petitioner, the carrier, and  
18 the affected parties a written determination of whether the  
19 carrier properly adjusted or disallowed payment. The agency  
20 must be guided by standards and policies set forth in this  
21 chapter, including all applicable reimbursement schedules,  
22 practice parameters, and protocols of treatment, in rendering  
23 its determination.

24 (d) If the agency finds an improper disallowance or  
25 improper adjustment of payment by an insurer, the insurer  
26 shall reimburse the health care provider, facility, insurer,  
27 or employer within 30 days, subject to the penalties provided  
28 in this subsection.

29 (e) The agency shall adopt rules to carry out this  
30 subsection. The rules may include provisions for consolidating  
31



1 petitions filed by a petitioner and expanding the timetable  
2 for rendering a determination upon a consolidated petition.

3 (f) Any carrier that engages in a pattern or practice  
4 of arbitrarily or unreasonably disallowing or reducing  
5 payments to health care providers may be subject to one or  
6 more of the following penalties imposed by the agency:

7 1. Repayment of the appropriate amount to the health  
8 care provider.

9 2. An administrative fine assessed by the agency in an  
10 amount not to exceed \$5,000 per instance of improperly  
11 disallowing or reducing payments.

12 3. Award of the health care provider's costs,  
13 including a reasonable attorney's fee, for prosecuting the  
14 petition.

15 (8) PATTERN OR PRACTICE OF OVERUTILIZATION.--

16 (a) Carriers must report to the agency all instances  
17 of overutilization including, but not limited to, all  
18 instances in which the carrier disallows or adjusts payment or  
19 a determination has been made that the provided or recommended  
20 treatment is in excess of the practice parameters and  
21 protocols of treatment established in this chapter. The agency  
22 shall determine whether a pattern or practice of  
23 overutilization exists.

24 (b) If the agency determines that a health care  
25 provider has engaged in a pattern or practice of  
26 overutilization or a violation of this chapter or rules  
27 adopted by the agency, including a pattern or practice of  
28 providing treatment in excess of the practice parameters or  
29 protocols of treatment, it may impose one or more of the  
30 following penalties:

31

- 1           1. An order of the agency barring the provider from  
2 payment under this chapter;
- 3           2. Deauthorization of care under review;
- 4           3. Denial of payment for care rendered in the future;
- 5           4. Decertification of a health care provider certified  
6 as an expert medical advisor under subsection (9) or of a  
7 rehabilitation provider certified under s. 440.49;
- 8           5. An administrative fine assessed by the agency in an  
9 amount not to exceed \$5,000 per instance of overutilization or  
10 violation; and
- 11          6. Notification of and review by the appropriate  
12 licensing authority pursuant to s. 440.106(3).
- 13          (9) EXPERT MEDICAL ADVISORS.--
- 14          (a) The agency shall certify expert medical advisors  
15 in each specialty to assist the agency and the judges of  
16 compensation claims within the advisor's area of expertise as  
17 provided in this section. The agency shall, in a manner  
18 prescribed by rule, in certifying, recertifying, or  
19 decertifying an expert medical advisor, consider the  
20 qualifications, training, impartiality, and commitment of the  
21 health care provider to the provision of quality medical care  
22 at a reasonable cost. As a prerequisite for certification or  
23 recertification, the agency shall require, at a minimum, that  
24 an expert medical advisor have specialized workers'  
25 compensation training or experience under the workers'  
26 compensation system of this state and board certification or  
27 board eligibility.
- 28          (b) The agency shall contract with one or more  
29 entities that employ, contract with, or otherwise secure or  
30 employ expert medical advisors to provide peer review or  
31 expert medical consultation, opinions, and testimony to the

1 agency or to a judge of compensation claims in connection with  
2 resolving disputes relating to reimbursement, differing  
3 opinions of health care providers, and health care and  
4 physician services rendered under this chapter, including  
5 utilization issues. The agency shall by rule establish the  
6 qualifications of expert medical advisors, including training  
7 and experience in the workers' compensation system in the  
8 state and the expert medical advisor's knowledge of and  
9 commitment to the standards of care, practice parameters, and  
10 protocols established pursuant to this chapter. Expert medical  
11 advisors contracting with the agency shall, as a term of such  
12 contract, agree to provide consultation or services in  
13 accordance with the timetables set forth in this chapter and  
14 to abide by rules adopted by the agency, including, but not  
15 limited to, rules pertaining to procedures for review of the  
16 services rendered by health care providers and preparation of  
17 reports and testimony or recommendations for submission to the  
18 agency or the judge of compensation claims.

19 (c) If there is disagreement in the opinions of the  
20 health care providers, if two health care providers disagree  
21 on medical evidence supporting the employee's complaints or  
22 the need for additional medical treatment, or if two health  
23 care providers disagree that the employee is able to return to  
24 work, the agency may, and the judge of compensation claims  
25 shall, upon his or her own motion or within 15 days after  
26 receipt of a written request by either the injured employee,  
27 the employer, or the carrier, order the injured employee to be  
28 evaluated by an expert medical advisor. The opinion of the  
29 expert medical advisor is presumed to be correct unless there  
30 is clear and convincing evidence to the contrary as determined  
31 by the judge of compensation claims. The expert medical

1 advisor appointed to conduct the evaluation shall have free  
2 and complete access to the medical records of the employee. An  
3 employee who fails to report to and cooperate with such  
4 evaluation forfeits entitlement to compensation during the  
5 period of failure to report or cooperate.

6 (d) The expert medical advisor must complete his or  
7 her evaluation and issue his or her report to the agency or to  
8 the judge of compensation claims within 15 ~~45~~ days after  
9 receipt of all medical records. The expert medical advisor  
10 must furnish a copy of the report to the carrier and to the  
11 employee.

12 (e) An expert medical advisor is not liable under any  
13 theory of recovery for evaluations performed under this  
14 section without a showing of fraud or malice. The protections  
15 of s. 766.101 apply to any officer, employee, or agent of the  
16 agency and to any officer, employee, or agent of any entity  
17 with which the agency has contracted under this subsection.

18 (f) If the agency or a judge of compensation claims  
19 orders ~~determines that~~ the services of a certified expert  
20 medical advisor ~~are required~~ to resolve a dispute under this  
21 section, the party requesting such examination carrier must  
22 compensate the advisor for his or her time in accordance with  
23 a schedule adopted by the agency. If the employee prevails in  
24 a dispute as determined in an order by a judge of compensation  
25 claims based upon the expert medical advisor's findings, the  
26 employer or carrier shall pay for the costs of such expert  
27 medical advisor. If a judge of compensation claims, upon his  
28 or her motion, finds that an expert medical advisor is needed  
29 to resolve the dispute, the carrier must compensate the  
30 advisor for his or her time in accordance with a schedule  
31 adopted by the agency.The agency may assess a penalty not to

1 exceed \$500 against any carrier that fails to timely  
2 compensate an advisor in accordance with this section.

3 (10) WITNESS FEES.--Any health care provider who gives  
4 a deposition shall be allowed a witness fee. The amount  
5 charged by the witness may not exceed \$200 per hour. An expert  
6 witness who has never provided direct professional services to  
7 a party but has merely reviewed medical records and provided  
8 an expert opinion or has provided only direct professional  
9 services that were unrelated to the workers' compensation case  
10 may not be allowed a witness fee in excess of \$200 per day.

11 (11) AUDITS BY AGENCY FOR HEALTH CARE ADMINISTRATION  
12 AND THE DEPARTMENT OF INSURANCE; JURISDICTION.--

13 (a) The Agency for Health Care Administration may  
14 investigate health care providers to determine whether  
15 providers are complying with this chapter and with rules  
16 adopted by the agency, whether the providers are engaging in  
17 overutilization, ~~and~~ whether providers are engaging in  
18 improper billing practices, and whether providers are adhering  
19 to practice parameters and protocols established in accordance  
20 with this chapter . If the agency finds that a health care  
21 provider has improperly billed, overutilized, or failed to  
22 comply with agency rules or the requirements of this chapter,  
23 including, but not limited to, practice parameters and  
24 protocols established in accordance with this chapter,it must  
25 notify the provider of its findings and may determine that the  
26 health care provider may not receive payment from the carrier  
27 or may impose penalties as set forth in subsection (8) or  
28 other sections of this chapter. If the health care provider  
29 has received payment from a carrier for services that were  
30 improperly billed, that constitute overutilization, or that  
31 were outside practice parameters or protocols established in

1 accordance with this chapter ~~or for overutilization~~, it must  
2 return those payments to the carrier. The agency may assess a  
3 penalty not to exceed \$500 for each overpayment that is not  
4 refunded within 30 days after notification of overpayment by  
5 the agency or carrier.

6 (b) The department shall monitor and audit carriers as  
7 provided in s. 624.3161, to determine if medical bills are  
8 paid in accordance with this section and department rules. Any  
9 employer, if self-insured, or carrier found by the division  
10 not to be within 90 percent compliance as to the payment of  
11 medical bills after July 1, 1994, must be assessed a fine not  
12 to exceed 1 percent of the prior year's assessment levied  
13 against such entity under s. 440.51 for every quarter in which  
14 the entity fails to attain 90-percent compliance. The  
15 department shall fine or otherwise discipline an employer or  
16 carrier, pursuant to this chapter, the insurance code, or  
17 rules adopted by the department, for each late payment of  
18 compensation that is below the minimum 95-percent ~~90-percent~~  
19 performance standard. Any carrier that is found to be not in  
20 compliance in subsequent consecutive quarters must implement a  
21 medical-bill review program approved by the division, and the  
22 carrier is subject to disciplinary action by the Department of  
23 Insurance.

24 (c) The agency has exclusive jurisdiction to decide  
25 any matters concerning reimbursement, to resolve any  
26 overutilization dispute under subsection (7), and to decide  
27 any question concerning overutilization under subsection (8),  
28 which question or dispute arises after January 1, 1994.

29 (d) The following agency actions do not constitute  
30 agency action subject to review under ss. 120.569 and 120.57  
31 and do not constitute actions subject to s. 120.56: referral

1 by the entity responsible for utilization review; a decision  
2 by the agency to refer a matter to a peer review committee;  
3 establishment by a health care provider or entity of  
4 procedures by which a peer review committee reviews the  
5 rendering of health care services; and the review proceedings,  
6 report, and recommendation of the peer review committee.

7 (12) CREATION OF THREE-MEMBER PANEL; GUIDES OF MAXIMUM  
8 REIMBURSEMENT ALLOWANCES.--

9 (a) A three-member panel is created, consisting of the  
10 Insurance Commissioner, or the Insurance Commissioner's  
11 designee, and two members to be appointed by the Governor,  
12 subject to confirmation by the Senate, one member who, on  
13 account of present or previous vocation, employment, or  
14 affiliation, shall be classified as a representative of  
15 employers, the other member who, on account of previous  
16 vocation, employment, or affiliation, shall be classified as a  
17 representative of employees. The panel shall determine  
18 statewide schedules of maximum reimbursement allowances for  
19 medically necessary treatment, care, and attendance provided  
20 by physicians, hospitals, ambulatory surgical centers,  
21 work-hardening programs, pain programs, and durable medical  
22 equipment. The maximum reimbursement allowances for inpatient  
23 hospital care shall be based on a schedule of per diem rates,  
24 to be approved by the three-member panel no later than March  
25 1, 1994, to be used in conjunction with a precertification  
26 manual as determined by the department, including maximum  
27 hours in which an outpatient may remain in observation status,  
28 which shall not exceed 23 hours ~~agency~~. All compensable  
29 charges for hospital outpatient care shall be reimbursed at 75  
30 percent of usual and customary charges, except as otherwise  
31 provided by this subsection. ~~Until the three-member panel~~

1 ~~approves a schedule of per diem rates for inpatient hospital~~  
2 ~~care and it becomes effective, all compensable charges for~~  
3 ~~hospital inpatient care must be reimbursed at 75 percent of~~  
4 ~~their usual and customary charges. Annually, the three-member~~  
5 panel shall adopt schedules of maximum reimbursement  
6 allowances for physicians, hospital inpatient care, hospital  
7 outpatient care, ambulatory surgical centers, work-hardening  
8 programs, and pain programs. ~~However, the maximum percentage~~  
9 ~~of increase in the individual reimbursement allowance may not~~  
10 ~~exceed the percentage of increase in the Consumer Price Index~~  
11 ~~for the previous year.~~ An individual physician, hospital,  
12 ambulatory surgical center, pain program, or work-hardening  
13 program shall be reimbursed either ~~the usual and customary~~  
14 ~~charge for treatment, care, and attendance,~~ the agreed-upon  
15 contract price, or the maximum reimbursement allowance in the  
16 appropriate schedule, ~~whichever is less.~~

17 (b) It is the intent of the Legislature to increase  
18 the schedule of maximum reimbursement allowances for selected  
19 physicians effective January 1, 2004, and to pay for the  
20 increases through reductions in payments to hospitals.  
21 Revisions developed pursuant to this subsection are limited to  
22 the following:

23 1. Payments for outpatient physical, occupational, and  
24 speech therapy provided by hospitals shall be reduced to the  
25 schedule of maximum reimbursement allowances for these  
26 services which applies to nonhospital providers.

27 2. Payments for scheduled outpatient nonemergency  
28 radiological and clinical laboratory services that are not  
29 provided in conjunction with a surgical procedure shall be  
30 reduced to the schedule of maximum reimbursement allowances  
31 for these services which applies to nonhospital providers.



1           3. Outpatient reimbursement for scheduled surgeries  
2 shall be reduced from 75 percent of charges to 60 percent of  
3 charges.

4           4. Maximum reimbursement for a physician licensed  
5 under chapter 458 or chapter 459 shall be increased to 110  
6 percent of the reimbursement allowed by Medicare, using  
7 appropriate codes and modifiers or the medical reimbursement  
8 level adopted by the three-member panel as of January 1, 2003,  
9 whichever is greater.

10           5. Maximum reimbursement for surgical procedures shall  
11 be increased to 140 percent of the reimbursement allowed by  
12 Medicare or the medical reimbursement level adopted by the  
13 three-member panel as of January 1, 2003, whichever is  
14 greater.

15           (c)(b) As to reimbursement for a prescription  
16 medication, the reimbursement amount for a prescription shall  
17 be the average wholesale price ~~times 1.2~~ plus \$4.18 for the  
18 dispensing fee, except where the carrier has contracted for a  
19 lower amount. Fees for pharmaceuticals and pharmaceutical  
20 services shall be reimbursable at the applicable fee schedule  
21 amount. Where the employer or carrier has contracted for such  
22 services and the employee elects to obtain them through a  
23 provider not a party to the contract, the carrier shall  
24 reimburse at the schedule, negotiated, or contract price,  
25 whichever is lower. No such contract shall rely on a provider  
26 that is not reasonably accessible to the employee.

27           (d)(c) Reimbursement for all fees and other charges  
28 for such treatment, care, and attendance, including treatment,  
29 care, and attendance provided by any hospital or other health  
30 care provider, ambulatory surgical center, work-hardening  
31 program, or pain program, must not exceed the amounts provided

1 by the uniform schedule of maximum reimbursement allowances as  
2 determined by the panel or as otherwise provided in this  
3 section. This subsection also applies to independent medical  
4 examinations performed by health care providers under this  
5 chapter. ~~Until the three-member panel approves a uniform~~  
6 ~~schedule of maximum reimbursement allowances and it becomes~~  
7 ~~effective, all compensable charges for treatment, care, and~~  
8 ~~attendance provided by physicians, ambulatory surgical~~  
9 ~~centers, work-hardening programs, or pain programs shall be~~  
10 ~~reimbursed at the lowest maximum reimbursement allowance~~  
11 ~~across all 1992 schedules of maximum reimbursement allowances~~  
12 ~~for the services provided regardless of the place of service.~~  
13 In determining the uniform schedule, the panel shall first  
14 approve the data which it finds representative of prevailing  
15 charges in the state for similar treatment, care, and  
16 attendance of injured persons. Each health care provider,  
17 health care facility, ambulatory surgical center,  
18 work-hardening program, or pain program receiving workers'  
19 compensation payments shall maintain records verifying their  
20 usual charges. In establishing the uniform schedule of maximum  
21 reimbursement allowances, the panel must consider:

- 22 1. The levels of reimbursement for similar treatment,  
23 care, and attendance made by other health care programs or  
24 third-party providers;
- 25 2. The impact upon cost to employers for providing a  
26 level of reimbursement for treatment, care, and attendance  
27 which will ensure the availability of treatment, care, and  
28 attendance required by injured workers;
- 29 3. The financial impact of the reimbursement  
30 allowances upon health care providers and health care  
31 facilities, including trauma centers as defined in s.

1 395.4001, and its effect upon their ability to make available  
2 to injured workers such medically necessary remedial  
3 treatment, care, and attendance. The uniform schedule of  
4 maximum reimbursement allowances must be reasonable, must  
5 promote health care cost containment and efficiency with  
6 respect to the workers' compensation health care delivery  
7 system, and must be sufficient to ensure availability of such  
8 medically necessary remedial treatment, care, and attendance  
9 to injured workers; and

10 4. The most recent average maximum allowable rate of  
11 increase for hospitals determined by the Health Care Board  
12 under chapter 408.

13 (e)~~(d)~~ In addition to establishing the uniform  
14 schedule of maximum reimbursement allowances, the panel shall:

15 1. Take testimony, receive records, and collect data  
16 to evaluate the adequacy of the workers' compensation fee  
17 schedule, nationally recognized fee schedules and alternative  
18 methods of reimbursement to certified health care providers  
19 and health care facilities for inpatient and outpatient  
20 treatment and care.

21 2. Survey certified health care providers and health  
22 care facilities to determine the availability and  
23 accessibility of workers' compensation health care delivery  
24 systems for injured workers.

25 3. Survey carriers to determine the estimated impact  
26 on carrier costs and workers' compensation premium rates by  
27 implementing changes to the carrier reimbursement schedule or  
28 implementing alternative reimbursement methods.

29 4. Submit recommendations on or before January 1,  
30 2003, and biennially thereafter, to the President of the  
31 Senate and the Speaker of the House of Representatives on

1 methods to improve the workers' compensation health care  
2 delivery system.

3  
4 The division shall provide data to the panel, including but  
5 not limited to, utilization trends in the workers'  
6 compensation health care delivery system. The division shall  
7 provide the panel with an annual report regarding the  
8 resolution of medical reimbursement disputes and any actions  
9 pursuant to s. 440.13(8). The division shall provide  
10 administrative support and service to the panel to the extent  
11 requested by the panel.

12 (13) REMOVAL OF PHYSICIANS FROM LISTS OF THOSE  
13 AUTHORIZED TO RENDER MEDICAL CARE.--The agency shall remove  
14 from the list of physicians or facilities authorized to  
15 provide remedial treatment, care, and attendance under this  
16 chapter the name of any physician or facility found after  
17 reasonable investigation to have:

18 (a) Engaged in professional or other misconduct or  
19 incompetency in connection with medical services rendered  
20 under this chapter;

21 (b) Exceeded the limits of his or her or its  
22 professional competence in rendering medical care under this  
23 chapter, or to have made materially false statements regarding  
24 his or her or its qualifications in his or her application;

25 (c) Failed to transmit copies of medical reports to  
26 the employer or carrier, or failed to submit full and truthful  
27 medical reports of all his or her or its findings to the  
28 employer or carrier as required under this chapter;

29 (d) Solicited, or employed another to solicit for  
30 himself or herself or itself or for another, professional

31

1 treatment, examination, or care of an injured employee in  
2 connection with any claim under this chapter;

3 (e) Refused to appear before, or to answer upon  
4 request of, the agency or any duly authorized officer of the  
5 state, any legal question, or to produce any relevant book or  
6 paper concerning his or her conduct under any authorization  
7 granted to him or her under this chapter;

8 (f) Self-referred in violation of this chapter or  
9 other laws of this state; or

10 (g) Engaged in a pattern of practice of  
11 overutilization or a violation of this chapter or rules  
12 adopted by the agency, including failure to adhere to practice  
13 parameters and protocols established in accordance with this  
14 chapter.

15 (14) PAYMENT OF MEDICAL FEES.--

16 (a) Except for emergency care treatment, fees for  
17 medical services are payable only to a health care provider  
18 certified and authorized to render remedial treatment, care,  
19 or attendance under this chapter. Carriers shall pay,  
20 disallow, or deny payment to health care providers in the  
21 manner and at times set forth in this chapter.A health care  
22 provider may not collect or receive a fee from an injured  
23 employee within this state, except as otherwise provided by  
24 this chapter. Such providers have recourse against the  
25 employer or carrier for payment for services rendered in  
26 accordance with this chapter. Payment to health care providers  
27 or physicians shall be subject to the medical fee schedule and  
28 applicable practice parameters and protocols, regardless of  
29 whether the health care provider or claimant is asserting that  
30 the payment should be made.

31

1           (b) Fees charged for remedial treatment, care, and  
2 attendance, except for independent medical examinations and  
3 consensus independent medical examinations, may not exceed the  
4 applicable fee schedules adopted under this chapter and  
5 department rule. Notwithstanding any other provision in this  
6 chapter, if a physician or health care provider specifically  
7 agrees in writing to follow identified procedures aimed at  
8 providing quality medical care to injured workers at  
9 reasonable costs, deviations from established fee schedules  
10 shall be permitted. Written agreements warranting deviations  
11 may include, but are not limited to, the timely scheduling of  
12 appointments for injured workers, participating in  
13 return-to-work programs with injured workers' employers,  
14 expediting the reporting of treatments provided to injured  
15 workers, and agreeing to continuing education, utilization  
16 review, quality assurance, precertification, and case  
17 management systems that are designed to provide needed  
18 treatment for injured workers.

19           (c) Notwithstanding any other provision of this  
20 chapter, following overall maximum medical improvement from an  
21 injury compensable under this chapter, the employee is  
22 obligated to pay a copayment of \$10 per visit for medical  
23 services. The copayment shall not apply to emergency care  
24 provided to the employee.

25           (15) PRACTICE PARAMETERS.--The practice parameters and  
26 protocols mandated under this chapter shall be the practice  
27 parameters and protocols adopted by the United States Agency  
28 for Healthcare Research and Quality in effect on January 1,  
29 2003.

30           ~~(a) The Agency for Health Care Administration, in~~  
31 ~~conjunction with the department and appropriate health~~

1 ~~professional associations and health-related organizations~~  
2 ~~shall develop and may adopt by rule scientifically sound~~  
3 ~~practice parameters for medical procedures relevant to~~  
4 ~~workers' compensation claimants. Practice parameters developed~~  
5 ~~under this section must focus on identifying effective~~  
6 ~~remedial treatments and promoting the appropriate utilization~~  
7 ~~of health care resources. Priority must be given to those~~  
8 ~~procedures that involve the greatest utilization of resources~~  
9 ~~either because they are the most costly or because they are~~  
10 ~~the most frequently performed. Practice parameters for~~  
11 ~~treatment of the 10 top procedures associated with workers'~~  
12 ~~compensation injuries including the remedial treatment of~~  
13 ~~lower-back injuries must be developed by December 31, 1994.~~

14 ~~(b) The guidelines may be initially based on~~  
15 ~~guidelines prepared by nationally recognized health care~~  
16 ~~institutions and professional organizations but should be~~  
17 ~~tailored to meet the workers' compensation goal of returning~~  
18 ~~employees to full employment as quickly as medically possible,~~  
19 ~~taking into consideration outcomes data collected from managed~~  
20 ~~care providers and any other inpatient and outpatient~~  
21 ~~facilities serving workers' compensation claimants.~~

22 ~~(c) Procedures must be instituted which provide for~~  
23 ~~the periodic review and revision of practice parameters based~~  
24 ~~on the latest outcomes data, research findings, technological~~  
25 ~~advancements, and clinical experiences, at least once every 3~~  
26 ~~years.~~

27 ~~(d) Practice parameters developed under this section~~  
28 ~~must be used by carriers and the agency in evaluating the~~  
29 ~~appropriateness and overutilization of medical services~~  
30 ~~provided to injured employees.~~

31

1           (16) STANDARDS OF CARE.--The following standards of  
2 care shall be followed in providing medical care under this  
3 chapter:

4           (a) Abnormal anatomical findings alone, in the absence  
5 of objective relevant medical findings, shall not be an  
6 indicator of injury or illness, a justification for the  
7 provision of remedial medical care or the assignment of  
8 restrictions, or a foundation for limitations.

9           (b) At all times during evaluation and treatment, the  
10 provider shall act on the premise that returning to work is an  
11 integral part of the treatment plan. The goal of removing all  
12 restrictions and limitations as early as appropriate shall be  
13 part of the treatment plan on a continuous basis. The  
14 assignment of restrictions and limitations shall be reviewed  
15 with each patient exam and upon receipt of new information,  
16 such as progress reports from physical therapists and other  
17 providers. Consideration shall be given to upgrading or  
18 removing the restrictions and limitations with each patient  
19 exam, based upon the presence or absence of objective relevant  
20 medical findings.

21           (c) Reasonable necessary medical care of injured  
22 employees shall in all situations:

23           1. Utilize a high intensity, short duration treatment  
24 approach that focuses on early activation and restoration of  
25 function whenever possible.

26           2. Include reassessment of the treatment plans,  
27 regimes, therapies, prescriptions, and functional limitations  
28 or restrictions prescribed by the provider every 30 days.

29           3. Be focused on treatment of the individual  
30 employee's specific clinical dysfunction or status and shall  
31 not be based upon nondescript diagnostic labels.



1  
2 All treatment shall be inherently scientifically logical and  
3 the evaluation or treatment procedure must match the  
4 documented physiologic and clinical problem. Treatment shall  
5 match the type, intensity, and duration of service required by  
6 the problem identified.

7 (17) Failure to comply with this section shall be  
8 considered a violation of this chapter and is subject to  
9 penalties as provided for in s. 440.525.

10 Section 16. Paragraphs (d) and (i) of subsection (1)  
11 and subsections (2), (6), (7), (8), (9), (10), (11), (17), and  
12 (25) of section 440.134, Florida Statutes, are amended to  
13 read:

14 440.134 Workers' compensation managed care  
15 arrangement.--

16 (1) As used in this section, the term:

17 (d) "Grievance" means a written complaint, other than  
18 a petition for benefits, filed by the injured worker pursuant  
19 to the requirements of the managed care arrangement,  
20 expressing dissatisfaction with the ~~medical care provided by~~  
21 ~~an insurer's workers' compensation managed care arrangement's~~  
22 ~~refusal to provide medical care or the medical care provided~~  
23 ~~arrangement health care providers, expressed in writing by an~~  
24 ~~injured worker.~~

25 (i) "Medical care coordinator" means a primary care  
26 provider within a provider network who is responsible for  
27 managing the medical care of an injured worker including  
28 determining other health care providers and health care  
29 facilities to which the injured employee will be referred for  
30 evaluation or treatment. A medical care coordinator shall be a  
31 physician licensed under chapter 458, ~~or~~ an osteopathic

1 physician licensed under chapter 459, a chiropractic physician  
2 licensed under chapter 460, or a podiatric physician licensed  
3 under chapter 461.

4 (2)(a) The self-insured employer or carrier may,  
5 subject to the terms and limitations specified elsewhere in  
6 this section and chapter, furnish to the employee solely  
7 through managed care arrangements such medically necessary  
8 remedial treatment, care, and attendance for such period as  
9 the nature of the injury or the process of recovery requires  
10 and which shall be in accordance with practice parameters and  
11 protocols established pursuant to this chapter. For any  
12 self-insured employer or carrier who elects to deliver the  
13 medical benefits required by this chapter through a method  
14 other than a workers' compensation managed care arrangement,  
15 the discontinuance of the use of the workers' compensation  
16 managed care arrangement shall be without regard to the date  
17 of the accident, notwithstanding any other provision of law or  
18 rule.

19 (b) The agency shall authorize an insurer to offer or  
20 utilize a workers' compensation managed care arrangement after  
21 the insurer files a completed application along with the  
22 payment of a \$1,000 application fee, and upon the agency's  
23 being satisfied that the applicant has the ability to provide  
24 quality of care consistent with the prevailing professional  
25 standards of care and the insurer and its workers'  
26 compensation managed care arrangement otherwise meets the  
27 requirements of this section. No insurer may offer or utilize  
28 a managed care arrangement without such authorization. The  
29 authorization, unless sooner suspended or revoked, shall  
30 automatically expire 2 years after the date of issuance unless  
31 renewed by the insurer. The authorization shall be renewed

1 upon application for renewal and payment of a renewal fee of  
2 \$1,000, provided that the insurer is in compliance with the  
3 requirements of this section and any rules adopted hereunder.  
4 An application for renewal of the authorization shall be made  
5 90 days prior to expiration of the authorization, on forms  
6 provided by the agency. The renewal application shall not  
7 require the resubmission of any documents previously filed  
8 with the agency if such documents have remained valid and  
9 unchanged since their original filing.

10 (6) The proposed managed care plan of operation must  
11 include:

12 (a) A statement or map providing a clear description  
13 of the service area.

14 (b) A description of the grievance procedure to be  
15 used.

16 (c) A description of the quality assurance program  
17 which assures that the health care services provided to  
18 workers shall be rendered under reasonable standards of  
19 quality of care consistent with the prevailing standards of  
20 medical practice in the medical community. The program shall  
21 include, but not be limited to:

22 1. A written statement of goals and objectives that  
23 stresses health and return-to-work outcomes as the principal  
24 criteria for the evaluation of the quality of care rendered to  
25 injured workers.

26 2. A written statement describing how methodology has  
27 been incorporated into an ongoing system for monitoring of  
28 care that is individual case oriented and, when implemented,  
29 can provide interpretation and analysis of patterns of care  
30 rendered to individual patients by individual providers.

31

1           3. Written procedures for taking appropriate remedial  
2 action whenever, as determined under the quality assurance  
3 program, inappropriate or substandard services have been  
4 provided or services that should have been furnished have not  
5 been provided.

6           4. A written plan, which includes ongoing review, for  
7 providing review of physicians and other licensed medical  
8 providers.

9           5. Appropriate financial incentives to reduce service  
10 costs and utilization without sacrificing the quality of  
11 service.

12           6. Adequate methods of peer review and utilization  
13 review. The utilization review process shall include a health  
14 care facility's ~~facilities~~ precertification mechanism,  
15 including, but not limited to, all elective admissions and  
16 nonemergency surgeries and adherence to practice parameters  
17 and protocols established in accordance with this chapter.

18           7. Provisions for resolution of disputes arising  
19 between a health care provider and an insurer regarding  
20 reimbursements and utilization review.

21           8. Availability of a process for aggressive medical  
22 care coordination, as well as a program involving cooperative  
23 efforts by the workers, the employer, and the workers'  
24 compensation managed care arrangement to promote early return  
25 to work for injured workers.

26           9. A written plan allowing for the independent medical  
27 examination provided for in s. 440.13(5). Notwithstanding any  
28 provision to the contrary, the costs for the independent  
29 medical examination shall be paid by the carrier if such  
30 examination is performed by a physician in the provider  
31 network. Otherwise, such costs shall be paid in accordance

1 with s. 440.13(5). An independent medical examination  
2 requested by a claimant and paid for by the carrier shall  
3 constitute the claimant's one independent medical examination  
4 per accident under s. 440.13(5). ~~A process allowing employees~~  
5 ~~to obtain one second medical opinion in the same specialty and~~  
6 ~~within the provider network during the course of treatment for~~  
7 ~~a work-related injury.~~

8           10. A provision for the selection of a primary care  
9 provider by the employee from among primary providers in the  
10 provider network.

11           11. The written information proposed to be used by the  
12 insurer to comply with subparagraph 8.

13           (7) Written procedures to provide the insurer with  
14 timely medical records and information including, but not  
15 limited to, work status, work restrictions, date of maximum  
16 medical improvement, permanent impairment ratings, and other  
17 information as required, including information demonstrating  
18 compliance with the practice parameters and protocols of  
19 treatment established pursuant to this chapter.

20           (8) Evidence that appropriate health care providers  
21 and administrative staff of the insurer's workers'  
22 compensation managed care arrangement have received training  
23 and education on the provisions of this chapter; ~~and~~ the  
24 administrative rules that govern the provision of remedial  
25 treatment, care, and attendance of injured workers; and the  
26 practice parameters and protocols of treatment established  
27 pursuant to this chapter.

28           (9) Written procedures and methods to prevent  
29 inappropriate or excessive treatment that are in accordance  
30 with the practice parameters and protocols of treatment  
31 established pursuant to this chapter.

1 (10) Written procedures and methods for the management  
2 of an injured worker's medical care by a medical care  
3 coordinator including:

4 (a) The mechanism for assuring that covered employees  
5 receive all initial covered services from a primary care  
6 provider participating in the provider network, except for  
7 emergency care.

8 (b) The mechanism for assuring that all continuing  
9 covered services be received from the same primary care  
10 provider participating in the provider network that provided  
11 the initial covered services, except when services from  
12 another provider are authorized by the medical care  
13 coordinator pursuant to paragraph (d).

14 (c) The policies and procedures for allowing an  
15 employee one change to another provider within the ~~same~~  
16 ~~specialty and~~ provider network as the authorized treating  
17 physician during the course of treatment for a work-related  
18 injury, in accordance with the procedures provided in s.  
19 440.13(2)(f), ~~if a request is made to the medical care~~  
20 ~~coordinator by the employee; and requiring that special~~  
21 ~~provision be made for more than one such referral through the~~  
22 ~~arrangement's grievance procedures.~~

23 (d) The process for assuring that all referrals  
24 authorized by a medical care coordinator, in accordance with  
25 the practice parameters and protocols of treatment established  
26 pursuant to this chapter, are made to the participating  
27 network providers, unless medically necessary treatment, care,  
28 and attendance are not available and accessible to the injured  
29 worker in the provider network.

30 (e) Assignment of a medical care coordinator licensed  
31 under chapter 458 or chapter 459 to manage care by physicians

1 licensed under chapter 458 or chapter 459, a medical care  
2 coordinator licensed under chapter 460 to manage care by  
3 physicians licensed under chapter 460, and a medical care  
4 coordinator licensed under chapter 461 to manage care by  
5 physicians licensed under chapter 461 upon request by an  
6 injured employee for care by a physician licensed under  
7 chapter 458, chapter 459, chapter 460, or chapter 461.

8 (11) A description of the use of workers' compensation  
9 practice parameters and protocols of treatment for health care  
10 services ~~when adopted by the agency.~~

11 (17) Notwithstanding any other provisions of this  
12 chapter, when a carrier provides medical care through a  
13 workers' compensation managed care arrangement, pursuant to  
14 this section, those workers who are subject to the arrangement  
15 must receive medical services for work-related injuries and  
16 diseases as prescribed in the contract, provided the employer  
17 and carrier have provided notice to the employees of the  
18 arrangement in a manner approved by the agency and the medical  
19 services are in accordance with the practice parameters and  
20 protocols established pursuant to this chapter. Treatment  
21 received outside the workers' compensation managed care  
22 arrangement is not compensable, regardless of the purpose of  
23 the treatment, including, but not limited to, evaluations,  
24 examinations, or diagnostic studies to determine causation  
25 between medical findings and a compensable accident, the  
26 existence or extent of impairments or disabilities, and  
27 whether the injured employee has reached maximum medical  
28 improvement, unless authorized by the carrier prior to the  
29 treatment date.

30 (25) The agency shall adopt rules that specify:  
31

1 (a) Procedures for authorization and examination of  
2 workers' compensation managed care arrangements by the agency.

3 (b) Requirements and procedures for authorization of  
4 workers' compensation arrangement provider networks and  
5 procedures for the agency to grant exceptions from  
6 accessibility of services.

7 (c) Requirements and procedures for case management,  
8 utilization management, and peer review.

9 (d) Requirements and procedures for quality assurance  
10 and medical records.

11 (e) Requirements and procedures for dispute resolution  
12 in conformance with this chapter.

13 (f) Requirements and procedures for employee and  
14 provider education.

15 (g) Requirements and procedures for reporting data  
16 regarding grievances, return-to-work outcomes, and provider  
17 networks.

18 Section 17. Subsections (1) and (4) and paragraph (b)  
19 of subsection (5) of section 440.14, Florida Statutes, are  
20 amended to read:

21 440.14 Determination of pay.--

22 (1) Except as otherwise provided in this chapter, the  
23 average weekly wages of the injured employee on the date of  
24 the accident ~~at the time of the injury~~ shall be taken as the  
25 basis upon which to compute compensation and shall be  
26 determined, subject to the limitations of s. 440.12(2), as  
27 follows:

28 (a) If the injured employee has worked in the  
29 employment in which she or he was working on the date of the  
30 accident ~~at the time of the injury~~, whether for the same or  
31 another employer, during substantially the whole of 13 weeks



1 immediately preceding the accident injury, her or his average  
2 weekly wage shall be one-thirteenth of the total amount of  
3 wages earned in such employment during the 13 weeks. As used  
4 in this paragraph, the term "substantially the whole of 13  
5 weeks" means the calendar ~~shall be deemed to mean and refer to~~  
6 ~~a consecutive~~ period of 13 weeks as a whole, which shall be  
7 defined as the 13 calendar weeks before the date of the  
8 accident, excluding the week during which the accident  
9 occurred. ~~a consecutive period of 91 days, and~~ The term  
10 "during substantially the whole of 13 weeks" shall be deemed  
11 to mean during not less than 75 ~~90~~ percent of the total  
12 customary ~~full-time~~ hours of employment within such period  
13 considered as a whole.

14 (b) If the injured employee has not worked in such  
15 employment during substantially the whole of 13 weeks  
16 immediately preceding the accident injury, the wages of a  
17 similar employee in the same employment who has worked  
18 substantially the whole of such 13 weeks shall be used in  
19 making the determination under the preceding paragraph.

20 (c) If an employee is a seasonal worker and the  
21 foregoing method cannot be fairly applied in determining the  
22 average weekly wage, then the employee may use, instead of the  
23 13 weeks immediately preceding the accident injury, the  
24 calendar year or the 52 weeks immediately preceding the  
25 accident injury. The employee will have the burden of proving  
26 that this method will be more reasonable and fairer than the  
27 method set forth in paragraphs (a) and (b) and, further, must  
28 document prior earnings with W-2 forms, written wage  
29 statements, or income tax returns. The employer shall have 30  
30 days following the receipt of this written proof to adjust the  
31 compensation rate, including the making of any additional

1 payment due for prior weekly payments, based on the lower rate  
2 compensation.

3 (d) If any of the foregoing methods cannot reasonably  
4 and fairly be applied, the full-time weekly wages of the  
5 injured employee shall be used, except as otherwise provided  
6 in paragraph (e) or paragraph (f).

7 (e) If it is established that the injured employee was  
8 under 22 years of age when the accident occurred ~~injured~~ and  
9 that under normal conditions her or his wages should be  
10 expected to increase during the period of disability, the fact  
11 may be considered in arriving at her or his average weekly  
12 wages.

13 (f) If it is established that the injured employee was  
14 a part-time worker on the date of the accident ~~at the time of~~  
15 ~~the injury~~, that she or he had adopted part-time employment as  
16 a customary practice, and that under normal working conditions  
17 she or he probably would have remained a part-time worker  
18 during the period of disability, these factors shall be  
19 considered in arriving at her or his average weekly wages. For  
20 the purpose of this paragraph, the term "part-time worker"  
21 means an individual who customarily works less than the  
22 full-time hours or full-time workweek of a similar employee in  
23 the same employment.

24 (g) If compensation is due for a fractional part of  
25 the week, the compensation for such fractional part shall be  
26 determined by dividing the weekly compensation rate by the  
27 number of days employed per week to compute the amount due for  
28 each day.

29 (4) Upon termination of the employee or upon  
30 termination of the payment of fringe benefits of any employee  
31 who is collecting indemnity benefits pursuant to s. 440.15(2)

1 or (3)~~(b)~~, the employer shall within 7 days of such  
2 termination file a corrected 13-week wage statement reflecting  
3 the wages paid and the fringe benefits that had been paid to  
4 the injured employee, as provided in s. 440.02(27).

5 (5)

6 (b) The employee waives any entitlement to interest,  
7 penalties, and attorney's fees during the period in which the  
8 employee has not provided information concerning the loss of  
9 earnings from concurrent employment. Carriers are not subject  
10 to penalties by the division under s. 440.20(8)(b) ~~and (c)~~ for  
11 unpaid compensation related to concurrent employment during  
12 the period in which the employee has not provided information  
13 concerning the loss of earnings from concurrent employment.

14 Section 18. Section 440.15, Florida Statutes, is  
15 amended to read:

16 440.15 Compensation for disability.--Compensation for  
17 disability shall be paid to the employee, subject to the  
18 limits provided in s. 440.12(2), as follows:

19 (1) PERMANENT TOTAL DISABILITY.--

20 (a) In case of total disability adjudged to be  
21 permanent, 66 2/3 percent of the average weekly wages shall be  
22 paid to the employee during the continuance of such total  
23 disability. No compensation shall be payable under this  
24 section if the employee is engaged in, or is physically  
25 capable of engaging in, at least sedentary employment.

26 (b) In the following cases, an injured employee is  
27 presumed to be permanently and totally disabled unless the  
28 employer or carrier establishes that the employee is  
29 physically capable of engaging in at least sedentary  
30 employment within a 50-mile radius of the employee's  
31 residence:

1           1. Spinal cord injury involving severe paralysis of an  
2 arm, a leg, or the trunk;

3           2. Amputation of an arm, a hand, a foot, or a leg  
4 involving the effective loss of use of that appendage;

5           3. Severe brain or closed-head injury as evidenced by:

6           a. Severe sensory or motor disturbances;

7           b. Severe communication disturbances;

8           c. Severe complex integrated disturbances of cerebral  
9 function;

10           d. Severe episodic neurological disorders; or

11           e. Other severe brain and closed-head injury

12 conditions at least as severe in nature as any condition

13 provided in sub-subparagraphs a.-d.;

14           4. Second-degree or third-degree burns of 25 percent  
15 or more of the total body surface or third-degree burns of 5  
16 percent or more to the face and hands; or

17           5. Total or industrial blindness.

18  
19 In all other cases, in order to obtain permanent total  
20 disability benefits, the employee must establish that he or  
21 she is not able to engage in at least sedentary employment,  
22 within a 50-mile radius of the employee's residence, due to  
23 his or her physical limitation. Entitlement to such benefits  
24 shall cease when the employee reaches age 75, unless the  
25 employee is not eligible for social security benefits under 42  
26 U.S.C. s. 402 or s. 423 because the employee's compensable  
27 injury has prevented the employee from working sufficient  
28 quarters to be eligible for such benefits, notwithstanding any  
29 age limits. If the accident occurred on or after the employee  
30 reaches age 70, benefits shall be payable during the  
31 continuance of permanent total disability, not to exceed 5

1 years following the determination of permanent total  
2 disability. ~~Only a catastrophic injury as defined in s. 440.02~~  
3 ~~shall, in the absence of conclusive proof of a substantial~~  
4 ~~earning capacity, constitute permanent total disability.~~ Only  
5 claimants with catastrophic injuries or claimants who are  
6 incapable of engaging in employment, as described in this  
7 paragraph, are eligible for permanent total benefits. In no  
8 other case may permanent total disability be awarded.

9 (c) In cases of permanent total disability resulting  
10 from injuries that occurred prior to July 1, 1955, such  
11 payments shall not be made in excess of 700 weeks.

12 (d) If an employee who is being paid compensation for  
13 permanent total disability becomes rehabilitated to the extent  
14 that she or he establishes an earning capacity, the employee  
15 shall be paid, instead of the compensation provided in  
16 paragraph (a), benefits pursuant to subsection (3). The  
17 department shall adopt rules to enable a permanently and  
18 totally disabled employee who may have reestablished an  
19 earning capacity to undertake a trial period of reemployment  
20 without prejudicing her or his return to permanent total  
21 status in the case that such employee is unable to sustain an  
22 earning capacity.

23 (e)1. The employer's or carrier's right to conduct  
24 vocational evaluations or testing by the employer's or  
25 carrier's chosen rehabilitation advisor or provider pursuant  
26 ~~to s. 440.491~~ continues even after the employee has been  
27 accepted or adjudicated as entitled to compensation under this  
28 chapter and costs for such evaluations and testing shall be  
29 borne by the employer or carrier, respectively. This right  
30 includes, but is not limited to, instances in which such  
31 evaluations or tests are recommended by a treating physician

1 or independent medical-examination physician, instances  
2 warranted by a change in the employee's medical condition, or  
3 instances in which the employee appears to be making  
4 appropriate progress in recuperation. This right may not be  
5 exercised more than once every calendar year.

6 2. The carrier must confirm the scheduling of the  
7 vocational evaluation or testing in writing, and must notify  
8 the employee and the employee's counsel, if any, at least 7  
9 days before the date on which vocational evaluation or testing  
10 is scheduled to occur.

11 3. ~~Pursuant to an order of the judge of compensation~~  
12 ~~claims,~~The employer or carrier may withhold payment of  
13 benefits for permanent total disability or supplements for any  
14 period during which the employee willfully fails or refuses to  
15 appear without good cause for the scheduled vocational  
16 evaluation or testing.

17 (f)1. If permanent total disability results from  
18 injuries that occurred subsequent to June 30, 1955, and for  
19 which the liability of the employer for compensation has not  
20 been discharged under s. 440.20(11), the injured employee  
21 shall receive additional weekly compensation benefits equal to  
22 3 5 percent of her or his weekly compensation rate, as  
23 established pursuant to the law in effect on the date of her  
24 or his injury, multiplied by the number of calendar years  
25 since the date of injury. The weekly compensation payable and  
26 the additional benefits payable under this paragraph, when  
27 combined, may not exceed the maximum weekly compensation rate  
28 in effect at the time of payment as determined pursuant to s.  
29 440.12(2). ~~Entitlement to~~ These supplemental payments shall  
30 not be paid or payable after the employee attains ~~cease at~~ age  
31 62, regardless of whether ~~if~~ the employee has applied for or

1 is eligible to apply ~~is eligible~~ for social security benefits  
2 under 42 U.S.C. ~~s. ss.~~402 or s. ~~and~~ 423, unless the employee  
3 is not eligible for social security benefits under 42 U.S.C.  
4 s. 402 or s. 423 because the employee's compensable injury has  
5 prevented the employee from working sufficient quarters to be  
6 eligible for such benefits ~~whether or not the employee has~~  
7 ~~applied for such benefits~~. These supplemental benefits shall  
8 be paid by the department out of the Workers' Compensation  
9 Administration Trust Fund when the injury occurred subsequent  
10 to June 30, 1955, and before July 1, 1984. These supplemental  
11 benefits shall be paid by the employer when the injury  
12 occurred on or after July 1, 1984. Supplemental benefits are  
13 not payable for any period prior to October 1, 1974.

14       2.a. The department shall provide by rule for the  
15 periodic reporting to the department of all earnings of any  
16 nature and social security income by the injured employee  
17 entitled to or claiming additional compensation under  
18 subparagraph 1. Neither the department nor the employer or  
19 carrier shall make any payment of those additional benefits  
20 provided by subparagraph 1. for any period during which the  
21 employee willfully fails or refuses to report upon request by  
22 the department in the manner prescribed by such rules.

23       b. The department shall provide by rule for the  
24 periodic reporting to the employer or carrier of all earnings  
25 of any nature and social security income by the injured  
26 employee entitled to or claiming benefits for permanent total  
27 disability. The employer or carrier is not required to make  
28 any payment of benefits for permanent total disability for any  
29 period during which the employee willfully fails or refuses to  
30 report upon request by the employer or carrier in the manner  
31 prescribed by such rules or if any employee who is receiving

1 permanent total disability benefits refuses to apply for or  
2 cooperate with the employer or carrier in applying for social  
3 security benefits.

4           3. When an injured employee receives a full or partial  
5 lump-sum advance of the employee's permanent total disability  
6 compensation benefits, the employee's benefits under this  
7 paragraph shall be computed on the employee's weekly  
8 compensation rate as reduced by the lump-sum advance.

9           (2) TEMPORARY TOTAL DISABILITY.--

10           (a) Subject to subsection (7), in case of disability  
11 total in character but temporary in quality, 66 2/3 percent of  
12 the average weekly wages shall be paid to the employee during  
13 the continuance thereof, not to exceed 104 weeks except as  
14 provided in this subsection, s. 440.12(1), and s. 440.14(3).  
15 Once the employee reaches the maximum number of weeks allowed,  
16 or the employee reaches the date of maximum medical  
17 improvement, whichever occurs earlier, temporary disability  
18 benefits shall cease and the injured worker's permanent  
19 impairment shall be determined.

20           (b) Notwithstanding the provisions of paragraph (a),  
21 an employee who has sustained the loss of an arm, leg, hand,  
22 or foot, has been rendered a paraplegic, paraparetic,  
23 quadriplegic, or quadriparetic, or has lost the sight of both  
24 eyes shall be paid temporary total disability of 80 percent of  
25 her or his average weekly wage. The increased temporary total  
26 disability compensation provided for in this paragraph must  
27 not extend beyond 6 months from the date of the accident;  
28 however, such benefits shall not be due or payable if the  
29 employee is eligible for, entitled to, or collecting permanent  
30 total disability benefits. The compensation provided by this  
31 paragraph is not subject to the limits provided in s.



1 440.12(2), but instead is subject to a maximum weekly  
2 compensation rate of \$700. If, at the conclusion of this  
3 period of increased temporary total disability compensation,  
4 the employee is still temporarily totally disabled, the  
5 employee shall continue to receive temporary total disability  
6 compensation as set forth in paragraphs (a) and (c). The  
7 period of time the employee has received this increased  
8 compensation will be counted as part of, and not in addition  
9 to, the maximum periods of time for which the employee is  
10 entitled to compensation under paragraph (a) but not paragraph  
11 (c).

12 (c) Temporary total disability benefits paid pursuant  
13 to this subsection shall include such period as may be  
14 reasonably necessary for training in the use of artificial  
15 members and appliances, and shall include such period as the  
16 employee may be receiving training and education under a  
17 program pursuant to s. 440.491. ~~Notwithstanding s. 440.02, the~~  
18 ~~date of maximum medical improvement for purposes of paragraph~~  
19 ~~(3)(b) shall be no earlier than the last day for which such~~  
20 ~~temporary disability benefits are paid.~~

21 (d) The department shall, by rule, provide for the  
22 periodic reporting to the department, employer, or carrier of  
23 all earned income, including income from social security, by  
24 the injured employee who is entitled to or claiming benefits  
25 for temporary total disability. The employer or carrier is not  
26 required to make any payment of benefits for temporary total  
27 disability for any period during which the employee willfully  
28 fails or refuses to report upon request by the employer or  
29 carrier in the manner prescribed by the rules. The rule must  
30 require the claimant to personally sign the claim form and  
31

1 attest that she or he has reviewed, understands, and  
2 acknowledges the foregoing.

3 (3) PERMANENT IMPAIRMENT ~~AND WAGE-LOSS~~ BENEFITS.--

4 (a) ~~Impairment benefits.--~~

5 ~~1.~~ Once the employee has reached the date of maximum  
6 medical improvement, impairment benefits are due and payable  
7 within 14 ~~20~~ days after the carrier has knowledge of the  
8 impairment.

9 (b)2. The three-member panel, in cooperation with the  
10 department, shall establish and use a uniform permanent  
11 impairment rating schedule. This schedule must be based on  
12 medically or scientifically demonstrable findings as well as  
13 the systems and criteria set forth in the American Medical  
14 Association's Guides to the Evaluation of Permanent  
15 Impairment; the Snellen Charts, published by American Medical  
16 Association Committee for Eye Injuries; and the Minnesota  
17 Department of Labor and Industry Disability Schedules. The  
18 schedule must ~~should~~ be based upon objective findings. The  
19 schedule shall be more comprehensive than the AMA Guides to  
20 the Evaluation of Permanent Impairment and shall expand the  
21 areas already addressed and address additional areas not  
22 currently contained in the guides. On August 1, 1979, and  
23 pending the adoption, by rule, of a permanent schedule, Guides  
24 to the Evaluation of Permanent Impairment, copyright 1977,  
25 1971, 1988, by the American Medical Association, shall be the  
26 temporary schedule and shall be used for the purposes hereof.  
27 For injuries after July 1, 1990, pending the adoption by rule  
28 of a uniform disability rating agency schedule, the Minnesota  
29 Department of Labor and Industry Disability Schedule shall be  
30 used unless that schedule does not address an injury. In such  
31 case, the Guides to the Evaluation of Permanent Impairment by

1 the American Medical Association shall be used. Determination  
2 of permanent impairment under this schedule must be made by a  
3 physician licensed under chapter 458, a doctor of osteopathic  
4 medicine licensed under chapters 458 and 459, a chiropractic  
5 physician licensed under chapter 460, a podiatric physician  
6 licensed under chapter 461, an optometrist licensed under  
7 chapter 463, or a dentist licensed under chapter 466, as  
8 appropriate considering the nature of the injury. No other  
9 persons are authorized to render opinions regarding the  
10 existence of or the extent of permanent impairment.

11 ~~(c)3.~~ All impairment income benefits shall be based on  
12 an impairment rating using the impairment schedule referred to  
13 in paragraph (b) subparagraph 2. Impairment income benefits  
14 are paid biweekly ~~weekly~~ at the rate of 75 ~~50~~ percent of the  
15 employee's average weekly temporary total disability benefit  
16 not to exceed the maximum weekly benefit under s. 440.12;  
17 provided, however, that such benefits shall be reduced by 50  
18 percent for each week in which the employee has earned income  
19 equal to or in excess of the employee's average weekly wage.  
20 An employee's entitlement to impairment income benefits begins  
21 the day after the employee reaches maximum medical improvement  
22 or the expiration of temporary benefits, whichever occurs  
23 earlier, and continues until the earlier of:

24 1.a. The expiration of a period computed at the rate  
25 of 3 weeks for each percentage point of impairment; or

26 2.b. The death of the employee.

27  
28 Impairment income benefits as defined by this subsection are  
29 payable only for impairment ratings for physical impairments.  
30 If objective medical findings can substantiate a permanent  
31 psychiatric impairment resulting from the accident, permanent

1 impairment benefits are limited for the permanent psychiatric  
2 impairment to 1-percent permanent impairment.

3 (d)4. After the employee has been certified by a  
4 doctor as having reached maximum medical improvement or 6  
5 weeks before the expiration of temporary benefits, whichever  
6 occurs earlier, the certifying doctor shall evaluate the  
7 condition of the employee and assign an impairment rating,  
8 using the impairment schedule referred to in paragraph (b)  
9 ~~subparagraph 2. Compensation is not payable for the mental,~~  
10 ~~psychological, or emotional injury arising out of depression~~  
11 ~~from being out of work.~~ If the certification and evaluation  
12 are performed by a doctor other than the employee's treating  
13 doctor, the certification and evaluation must be submitted to  
14 the treating doctor, the employee, and the carrier within 10  
15 days after the evaluation. and The treating doctor must  
16 indicate to the carrier agreement or disagreement with the  
17 other doctor's certification and evaluation.

18 1. The certifying doctor shall issue a written report  
19 to the ~~department, the~~ employee, and the carrier certifying  
20 that maximum medical improvement has been reached, stating the  
21 impairment rating to the body as a whole, and providing any  
22 other information required by the department by rule. The  
23 carrier shall establish an overall maximum medical improvement  
24 date and permanent impairment rating, based upon all such  
25 reports.

26 2. Within 14 days after the carrier's knowledge of  
27 each maximum medical improvement date and impairment rating to  
28 the body as a whole upon which the carrier is paying benefits,  
29 the carrier shall report such maximum medical improvement date  
30 and, when determined, the overall maximum medical improvement  
31 date and associated impairment rating to the department in a

1 format as set forth in department rule. If the employee has  
2 not been certified as having reached maximum medical  
3 improvement before the expiration of 98 ~~102~~ weeks after the  
4 date temporary ~~total~~ disability benefits begin to accrue, the  
5 carrier shall notify the treating doctor of the requirements  
6 of this section.

7 (e)~~5~~. The carrier shall pay the employee impairment  
8 income benefits for a period based on the impairment rating.

9 (f)~~6~~. The department may by rule specify forms and  
10 procedures governing the method of payment of ~~wage loss and~~  
11 impairment benefits under this section ~~for dates of accidents~~  
12 ~~before January 1, 1994, and for dates of accidents on or after~~  
13 ~~January 1, 1994.~~

14 ~~(b) Supplemental benefits.--~~

15 ~~1. All supplemental benefits must be paid in~~  
16 ~~accordance with this subsection. An employee is entitled to~~  
17 ~~supplemental benefits as provided in this paragraph as of the~~  
18 ~~expiration of the impairment period, if:~~

19 ~~a. The employee has an impairment rating from the~~  
20 ~~compensable injury of 20 percent or more as determined~~  
21 ~~pursuant to this chapter;~~

22 ~~b. The employee has not returned to work or has~~  
23 ~~returned to work earning less than 80 percent of the~~  
24 ~~employee's average weekly wage as a direct result of the~~  
25 ~~employee's impairment; and~~

26 ~~c. The employee has in good faith attempted to obtain~~  
27 ~~employment commensurate with the employee's ability to work.~~

28 ~~2. If an employee is not entitled to supplemental~~  
29 ~~benefits at the time of payment of the final weekly impairment~~  
30 ~~income benefit because the employee is earning at least 80~~  
31 ~~percent of the employee's average weekly wage, the employee~~

1 ~~may become entitled to supplemental benefits at any time~~  
2 ~~within 1 year after the impairment income benefit period ends~~  
3 ~~if:~~

4       ~~a. The employee earns wages that are less than 80~~  
5 ~~percent of the employee's average weekly wage for a period of~~  
6 ~~at least 90 days;~~

7       ~~b. The employee meets the other requirements of~~  
8 ~~subparagraph 1.; and~~

9       ~~c. The employee's decrease in earnings is a direct~~  
10 ~~result of the employee's impairment from the compensable~~  
11 ~~injury.~~

12       ~~3. If an employee earns wages that are at least 80~~  
13 ~~percent of the employee's average weekly wage for a period of~~  
14 ~~at least 90 days during which the employee is receiving~~  
15 ~~supplemental benefits, the employee ceases to be entitled to~~  
16 ~~supplemental benefits for the filing period. Supplemental~~  
17 ~~benefits that have been terminated shall be reinstated when~~  
18 ~~the employee satisfies the conditions enumerated in~~  
19 ~~subparagraph 2. and files the statement required under~~  
20 ~~subparagraph 4. Notwithstanding any other provision, if an~~  
21 ~~employee is not entitled to supplemental benefits for 12~~  
22 ~~consecutive months, the employee ceases to be entitled to any~~  
23 ~~additional income benefits for the compensable injury. If the~~  
24 ~~employee is discharged within 12 months after losing~~  
25 ~~entitlement under this subsection, benefits may be reinstated~~  
26 ~~if the employee was discharged at that time with the intent to~~  
27 ~~deprive the employee of supplemental benefits.~~

28       ~~4. After the initial determination of supplemental~~  
29 ~~benefits, the employee must file a statement with the carrier~~  
30 ~~stating that the employee has earned less than 80 percent of~~  
31 ~~the employee's average weekly wage as a direct result of the~~

1 ~~employee's impairment, stating the amount of wages the~~  
2 ~~employee earned in the filing period, and stating that the~~  
3 ~~employee has in good faith sought employment commensurate with~~  
4 ~~the employee's ability to work. The statement must be filed~~  
5 ~~quarterly on a form and in the manner prescribed by the~~  
6 ~~department. The department may modify the filing period as~~  
7 ~~appropriate to an individual case. Failure to file a statement~~  
8 ~~relieves the carrier of liability for supplemental benefits~~  
9 ~~for the period during which a statement is not filed.~~

10 ~~5. The carrier shall begin payment of supplemental~~  
11 ~~benefits not later than the seventh day after the expiration~~  
12 ~~date of the impairment income benefit period and shall~~  
13 ~~continue to timely pay those benefits. The carrier may request~~  
14 ~~a mediation conference for the purpose of contesting the~~  
15 ~~employee's entitlement to or the amount of supplemental income~~  
16 ~~benefits.~~

17 ~~6. Supplemental benefits are calculated quarterly and~~  
18 ~~paid monthly. For purposes of calculating supplemental~~  
19 ~~benefits, 80 percent of the employee's average weekly wage and~~  
20 ~~the average wages the employee has earned per week are~~  
21 ~~compared quarterly. For purposes of this paragraph, if the~~  
22 ~~employee is offered a bona fide position of employment that~~  
23 ~~the employee is capable of performing, given the physical~~  
24 ~~condition of the employee and the geographic accessibility of~~  
25 ~~the position, the employee's weekly wages are considered~~  
26 ~~equivalent to the weekly wages for the position offered to the~~  
27 ~~employee.~~

28 ~~7. Supplemental benefits are payable at the rate of 80~~  
29 ~~percent of the difference between 80 percent of the employee's~~  
30 ~~average weekly wage determined pursuant to s. 440.14 and the~~  
31 ~~weekly wages the employee has earned during the reporting~~

1 ~~period, not to exceed the maximum weekly income benefit under~~  
2 ~~s. 440.12.~~

3 ~~8. The department may by rule define terms that are~~  
4 ~~necessary for the administration of this section and forms and~~  
5 ~~procedures governing the method of payment of supplemental~~  
6 ~~benefits for dates of accidents before January 1, 1994, and~~  
7 ~~for dates of accidents on or after January 1, 1994.~~

8 ~~(c) Duration of temporary impairment and supplemental~~  
9 ~~income benefits. -- The employee's eligibility for temporary~~  
10 ~~benefits, impairment income benefits, and supplemental~~  
11 ~~benefits terminates on the expiration of 401 weeks after the~~  
12 ~~date of injury.~~

13 (g) Notwithstanding paragraph (c), for accidents  
14 occurring on or after October 1, 2003, an employee's  
15 entitlement to impairment income benefits begins the day after  
16 the employee reaches maximum medical improvement or the  
17 expiration of temporary benefits, whichever occurs earlier,  
18 and continues for the following periods:

19 1. Two weeks of benefits are to be paid to the  
20 employee for each percentage point of impairment from 1  
21 percent up to and including 10 percent.

22 2. For each percentage point of impairment from 11  
23 percent up to and including 15 percent, 3 weeks of benefits  
24 are to be paid.

25 3. For each percentage point of impairment from 16  
26 percent up to and including 20 percent, 4 weeks of benefits  
27 are to be paid.

28 4. For each percentage point of impairment from 21  
29 percent and higher, 6 weeks of benefits are to be paid.

30 (4) TEMPORARY PARTIAL DISABILITY.--

31



1           (a) Subject to subsection (7), in case of temporary  
2 partial disability, compensation shall be equal to 80 percent  
3 of the difference between 80 percent of the employee's average  
4 weekly wage and the salary, wages, and other remuneration the  
5 employee is able to earn post injury, as compared weekly;  
6 however, ~~the~~ weekly temporary partial disability benefits may  
7 not exceed an amount equal to  $66 \frac{2}{3}$  percent of the employee's  
8 average weekly wage at the time of accident injury. In order  
9 to simplify the comparison of the preinjury average weekly  
10 wage with the salary, wages, and other remuneration the  
11 employee is able to earn post injury, the department may by  
12 rule provide for payment of the initial installment of  
13 temporary partial disability benefits to be paid as a partial  
14 week so that payment for remaining weeks of temporary partial  
15 disability can ~~the modification of the weekly comparison so as~~  
16 ~~to~~ coincide as closely as possible with the post injury  
17 employer's work week injured worker's pay periods. The amount  
18 determined to be the salary, wages, and other remuneration the  
19 employee is able to earn shall in no case be less than the sum  
20 actually being earned by the employee, including earnings from  
21 sheltered employment. Benefits shall be payable under this  
22 subsection only if overall maximum medical improvement has not  
23 been reached and the medical conditions resulting from the  
24 accident create restrictions on the injured employee's ability  
25 to return to work.

26           (b) Within 5 business days after the carrier's  
27 knowledge of the employee's release to restricted work, the  
28 carrier shall mail to the employee and employer an  
29 informational letter, adopted by department rule, explaining  
30 the employee's possible eligibility and responsibilities for  
31 temporary partial disability benefits.

1           (c) When an employee returns to work with the  
2 restrictions resulting from the accident and is earning wages  
3 less than 80 percent of the preinjury average weekly wage, the  
4 first installment of temporary partial disability benefits is  
5 due 7 days after the last date of the post injury employer's  
6 first biweekly work week. Thereafter, payment for temporary  
7 partial benefits shall be paid biweekly no later than the 7th  
8 day following the last day of each biweekly work week.

9           (d) If the employee is unable to return to work with  
10 the restrictions resulting from the accident and is not  
11 earning wages, salary, or other remuneration, temporary  
12 partial disability benefits shall be paid no later than the  
13 last day of each biweekly period. The employee shall notify  
14 the carrier within 5 business days after returning to work.  
15 Failure to notify the carrier of the establishment of an  
16 earning capacity in the required time shall result in a  
17 suspension or nonpayment of temporary partial disability  
18 benefits until the proper notification is provided.

19           (e)~~(b)~~ Such benefits shall be paid during the  
20 continuance of such disability, not to exceed a period of 104  
21 weeks, as provided by this subsection and subsection (2). Once  
22 the injured employee reaches the maximum number of weeks,  
23 temporary disability benefits cease and the injured worker's  
24 permanent impairment must be determined. If the employee is  
25 terminated from post injury employment based on the employee's  
26 misconduct, temporary partial disability benefits are not  
27 payable as provided for in this section.The department shall  
28 may by rule specify forms and procedures governing the method  
29 and time for ~~of~~ payment of temporary disability benefits for  
30 dates of accidents before January 1, 1994, and for dates of  
31 accidents on or after January 1, 1994.

1           (5) SUBSEQUENT INJURY.--

2           (a) The fact that an employee has suffered previous  
3 disability, impairment, anomaly, or disease, or received  
4 compensation therefor, shall not preclude her or him from  
5 benefits, as specified in paragraph (b), for a subsequent  
6 aggravation or acceleration of the preexisting condition or  
7 ~~nor~~ preclude benefits for death resulting therefrom, except  
8 that no benefits shall be payable if the employee, at the time  
9 of entering into the employment of the employer by whom the  
10 benefits would otherwise be payable, falsely represents  
11 herself or himself in writing as not having previously been  
12 disabled or compensated because of such previous disability,  
13 impairment, anomaly, or disease and the employer detrimentally  
14 relies on the misrepresentation. ~~Compensation for temporary~~  
15 ~~disability, medical benefits, and wage-loss benefits shall not~~  
16 ~~be subject to apportionment.~~

17           (b) If a compensable injury, disability, or need for  
18 medical care ~~permanent impairment~~, or any portion thereof, is  
19 a result of aggravation or acceleration of a preexisting  
20 condition, or is the result of merger with a preexisting  
21 condition, only the disabilities and medical treatment  
22 associated with such compensable injury shall be payable under  
23 this chapter, excluding the degree of disability or medical  
24 conditions existing at the time of the impairment rating or at  
25 the time of the accident, regardless of whether the  
26 preexisting condition was disabling at the time of the  
27 accident or at the time of the impairment rating and without  
28 considering whether the preexisting condition would be  
29 disabling without the compensable accident impairment, an  
30 ~~employee eligible to receive impairment benefits under~~  
31 ~~paragraph (3)(a) shall receive such benefits for the total~~

1 ~~impairment found to result, excluding the degree of impairment~~  
2 ~~existing at the time of the subject accident or injury or~~  
3 ~~which would have existed by the time of the impairment rating~~  
4 ~~without the intervention of the compensable accident or~~  
5 ~~injury.~~ The degree of permanent impairment or disability  
6 attributable to the accident or injury shall be compensated in  
7 accordance with this section, apportioning out the preexisting  
8 condition based on the anatomical impairment rating  
9 attributable to the preexisting condition. Medical benefits  
10 shall be paid apportioning out the percentage of the need for  
11 such care attributable to the preexisting condition paragraph  
12 (3)(a). As used in this paragraph, "merger" means the  
13 combining of a preexisting permanent impairment or disability  
14 with a subsequent compensable permanent impairment or  
15 disability which, when the effects of both are considered  
16 together, result in a permanent impairment or disability  
17 rating which is greater than the sum of the two permanent  
18 impairment or disability ratings when each impairment or  
19 disability is considered individually.

20 ~~(6) OBLIGATION TO REHIRE.--If the employer has not in~~  
21 ~~good faith made available to the employee, within a 100-mile~~  
22 ~~radius of the employee's residence, work appropriate to the~~  
23 ~~employee's physical limitations within 30 days after the~~  
24 ~~carrier notifies the employer of maximum medical improvement~~  
25 ~~and the employee's physical limitations, the employer shall~~  
26 ~~pay to the department for deposit into the Workers'~~  
27 ~~Compensation Administration Trust Fund a fine of \$250 for~~  
28 ~~every \$5,000 of the employer's workers' compensation premium~~  
29 ~~or payroll, not to exceed \$2,000 per violation, as the~~  
30 ~~department requires by rule. The employer is not subject to~~  
31 ~~this subsection if the employee is receiving permanent total~~

1 ~~disability benefits or if the employer has 50 or fewer~~  
2 ~~employees.~~

3       (6)~~(7)~~ EMPLOYEE REFUSES EMPLOYMENT.--If an injured  
4 employee refuses employment suitable to the capacity thereof,  
5 offered to or procured therefor, such employee shall not be  
6 entitled to any compensation at any time during the  
7 continuance of such refusal unless at any time in the opinion  
8 of the judge of compensation claims such refusal is  
9 justifiable. Time periods for the payment of benefits in  
10 accordance with this section shall be counted in determining  
11 the limitation of benefits as provided for in paragraphs  
12 (2)(a), (3)(c), and (4)(b).

13       (7)~~(8)~~ EMPLOYEE LEAVES EMPLOYMENT.--If an injured  
14 employee, when receiving compensation for temporary partial  
15 disability, leaves the employment of the employer by whom she  
16 or he was employed at the time of the accident for which such  
17 compensation is being paid, the employee shall, upon securing  
18 employment elsewhere, give to such former employer an  
19 affidavit in writing containing the name of her or his new  
20 employer, the place of employment, and the amount of wages  
21 being received at such new employment; and, until she or he  
22 gives such affidavit, the compensation for temporary partial  
23 disability will cease. The employer by whom such employee was  
24 employed at the time of the accident for which such  
25 compensation is being paid may also at any time demand of such  
26 employee an additional affidavit in writing containing the  
27 name of her or his employer, the place of her or his  
28 employment, and the amount of wages she or he is receiving;  
29 and if the employee, upon such demand, fails or refuses to  
30 make and furnish such affidavit, her or his right to  
31 compensation for temporary partial disability shall cease

1 until such affidavit is made and furnished. If the employee  
2 leaves her or his employment while receiving temporary partial  
3 benefits without just cause as determined by the judge of  
4 compensation claims, temporary partial benefits shall be  
5 payable based on the deemed earnings of the employee as if she  
6 or he had remained employed.

7 (8)~~(9)~~ EMPLOYEE BECOMES INMATE OF INSTITUTION.--In  
8 case an employee becomes an inmate of a public institution,  
9 then no compensation shall be payable unless she or he has  
10 dependent upon her or him for support a person or persons  
11 defined as dependents elsewhere in this chapter, whose  
12 dependency shall be determined as if the employee were  
13 deceased and to whom compensation would be paid in case of  
14 death; and such compensation as is due such employee shall be  
15 paid such dependents during the time she or he remains such  
16 inmate.

17 (9)~~(10)~~ EMPLOYEE ELIGIBLE FOR BENEFITS UNDER THIS  
18 CHAPTER AND FEDERAL OLD-AGE, SURVIVORS, AND DISABILITY  
19 INSURANCE ACT.--

20 (a) Weekly compensation benefits payable under this  
21 chapter for disability resulting from injuries to an employee  
22 who becomes eligible for benefits under 42 U.S.C. s. 423 shall  
23 be reduced to an amount whereby the sum of such compensation  
24 benefits payable under this chapter and such total benefits  
25 otherwise payable for such period to the employee and her or  
26 his dependents, had such employee not been entitled to  
27 benefits under this chapter, under 42 U.S.C. ss. 402 and 423,  
28 does not exceed 80 percent of the employee's average weekly  
29 wage. However, this provision shall not operate to reduce an  
30 injured worker's benefits under this chapter to a greater  
31 extent than such benefits would have otherwise been reduced

1 under 42 U.S.C. s. 424(a). This reduction of compensation  
2 benefits is not applicable to any compensation benefits  
3 payable for any week subsequent to the week in which the  
4 injured worker reaches the age of 62 years.

5 (b) If the provisions of 42 U.S.C. s. 424(a) are  
6 amended to provide for a reduction or increase of the  
7 percentage of average current earnings that the sum of  
8 compensation benefits payable under this chapter and the  
9 benefits payable under 42 U.S.C. ss. 402 and 423 can equal,  
10 the amount of the reduction of benefits provided in this  
11 subsection shall be reduced or increased accordingly. The  
12 department may by rule specify forms and procedures governing  
13 the method for calculating and administering the offset of  
14 benefits payable under this chapter and benefits payable under  
15 42 U.S.C. ss. 402 and 423. The department shall have first  
16 priority in taking any available social security offsets on  
17 dates of accidents occurring before July 1, 1984.

18 (c) No disability compensation benefits payable for  
19 any week, including those benefits provided by paragraph  
20 (1)(f), shall be reduced pursuant to this subsection until the  
21 Social Security Administration determines the amount otherwise  
22 payable to the employee under 42 U.S.C. ss. 402 and 423 and  
23 the employee has begun receiving such social security benefit  
24 payments. The employee shall, upon demand by the department,  
25 the employer, or the carrier, authorize the Social Security  
26 Administration to release disability information relating to  
27 her or him and authorize the Division of Unemployment  
28 Compensation to release unemployment compensation information  
29 relating to her or him, in accordance with rules to be adopted  
30 by the department prescribing the procedure and manner for  
31 requesting the authorization and for compliance by the

1 employee. Neither the department nor the employer or carrier  
2 shall make any payment of benefits for total disability or  
3 those additional benefits provided by paragraph (1)(f) for any  
4 period during which the employee willfully fails or refuses to  
5 authorize the release of information in the manner and within  
6 the time prescribed by such rules. The authority for release  
7 of disability information granted by an employee under this  
8 paragraph shall be effective for a period not to exceed 12  
9 months, such authority to be renewable as the department may  
10 prescribe by rule.

11 (d) If compensation benefits are reduced pursuant to  
12 this subsection, the minimum compensation provisions of s.  
13 440.12(2) do not apply.

14 (10)~~(11)~~ EMPLOYEE ELIGIBLE FOR BENEFITS UNDER THIS  
15 CHAPTER WHO HAS RECEIVED OR IS ENTITLED TO RECEIVE  
16 UNEMPLOYMENT COMPENSATION.--

17 (a) No compensation benefits shall be payable for  
18 temporary total disability or permanent total disability under  
19 this chapter for any week in which the injured employee has  
20 received, or is receiving, unemployment compensation benefits.

21 (b) If an employee is entitled to temporary partial  
22 benefits pursuant to subsection (4) and unemployment  
23 compensation benefits, such unemployment compensation benefits  
24 shall be primary and the temporary partial benefits shall be  
25 supplemental only, the sum of the two benefits not to exceed  
26 the amount of temporary partial benefits which would otherwise  
27 be payable.

28 (11)~~(12)~~ FULL-PAY STATUS FOR CERTAIN LAW ENFORCEMENT  
29 OFFICERS.--Any law enforcement officer as defined in s.  
30 943.10(1), (2), or (3) who, while acting within the course of  
31 employment as provided by s. 440.091, is maliciously or



1 intentionally injured and who thereby sustains a job-connected  
2 disability compensable under this chapter shall be carried in  
3 full-pay status rather than being required to use sick,  
4 annual, or other leave. Full-pay status shall be granted only  
5 after submission to the employing agency's head of a medical  
6 report which gives a current diagnosis of the employee's  
7 recovery and ability to return to work. In no case shall the  
8 employee's salary and workers' compensation benefits exceed  
9 the amount of the employee's regular salary requirements.

10 (12)~~(13)~~ REPAYMENT.--If an employee has received a sum  
11 as an indemnity benefit under any classification or category  
12 of benefit under this chapter to which she or he is not  
13 entitled, the employee is liable to repay that sum to the  
14 employer or the carrier or to have that sum deducted from  
15 future benefits, regardless of the classification of benefits,  
16 payable to the employee under this chapter; however, a partial  
17 payment of the total repayment may not exceed 20 percent of  
18 the amount of the biweekly payment.

19 Section 19. Subsections (1), (2), and (3) of section  
20 440.151, Florida Statutes, are amended to read:

21 440.151 Occupational diseases.--

22 (1)(a) Where the employer and employee are subject to  
23 the provisions of the Workers' Compensation Law, the  
24 disablement or death of an employee resulting from an  
25 occupational disease as hereinafter defined shall be treated  
26 as the happening of an injury by accident, notwithstanding any  
27 other provisions of this chapter, and the employee or, in case  
28 of death, the employee's dependents shall be entitled to  
29 compensation as provided by this chapter, except as  
30 hereinafter otherwise provided; and the practice and procedure  
31 prescribed by this chapter shall apply to all proceedings

1 under this section, except as hereinafter otherwise provided.  
2 Provided, however, that in no case shall an employer be liable  
3 for compensation under the provisions of this section unless  
4 such disease has resulted from the nature of the employment in  
5 which the employee was engaged under such employer, ~~and~~ was  
6 actually contracted while so engaged, and the nature of the  
7 employment was the major contributing cause of the disease.  
8 Major contributing cause must be shown by medical evidence  
9 only, as demonstrated by physical examination findings and  
10 diagnostic testing. ~~meaning by "Nature of the employment"~~  
11 means that in ~~to~~ the occupation in which the employee was so  
12 engaged there is attached a particular hazard of such disease  
13 that distinguishes it from the usual run of occupations, or  
14 the incidence of such disease is substantially higher in the  
15 occupation in which the employee was so engaged than in the  
16 usual run of occupations. In claims for death under s. 440.16,  
17 death must occur ~~or, in case of death, unless death follows~~  
18 ~~continuous disability from such disease, commencing within the~~  
19 ~~period above limited, for which compensation has been paid or~~  
20 ~~awarded, or timely claim made as provided in this section, and~~  
21 ~~results~~ within 350 weeks after ~~such~~ last exposure. Both  
22 causation and sufficient exposure to a specific harmful  
23 substance shown to be present in the workplace to support  
24 causation shall be proven by clear and convincing evidence.

25 (b) No compensation shall be payable for an  
26 occupational disease if the employee, at the time of entering  
27 into the employment of the employer by whom the compensation  
28 would otherwise be payable, falsely represents herself or  
29 himself in writing as not having previously been disabled,  
30 laid off or compensated in damages or otherwise, because of  
31 such disease.

1           (c) Where an occupational disease is aggravated by any  
2 other disease or infirmity, not itself compensable, or where  
3 disability or death from any other cause, not itself  
4 compensable, is aggravated, prolonged, accelerated or in  
5 anywise contributed to by an occupational disease, the  
6 compensation shall be payable only if the occupational disease  
7 is the major contributing cause of the injury. Any  
8 compensation shall be reduced and limited to such proportion  
9 only of the compensation that would be payable if the  
10 occupational disease were the sole cause of the disability or  
11 death as such occupational disease, as a causative factor,  
12 bears to all the causes of such disability or death, such  
13 reduction in compensation to be effected by reducing the  
14 number of weekly or monthly payments or the amounts of such  
15 payments, as under the circumstances of the particular case  
16 may be for the best interest of the claimant or claimants.  
17 Major contributing cause must be demonstrated by medical  
18 evidence based on physical examination findings and diagnostic  
19 testing.

20           (d) No compensation for death from an occupational  
21 disease shall be payable to any person whose relationship to  
22 the deceased, which under the provisions of this Workers'  
23 Compensation Law would give right to compensation, arose  
24 subsequent to the beginning of the first compensable  
25 disability, save only to afterborn children of a marriage  
26 existing at the beginning of such disability.

27           (e) No compensation shall be payable for disability or  
28 death resulting from tuberculosis arising out of and in the  
29 course of employment by the Department of Health at a state  
30 tuberculosis hospital, or aggravated by such employment, when  
31

1 the employee had suffered from said disease at any time prior  
2 to the commencement of such employment.

3 (2) Whenever used in this section the term  
4 "occupational disease" shall be construed to mean only a  
5 disease which is due to causes and conditions which are  
6 characteristic of and peculiar to a particular trade,  
7 occupation, process, or employment, and to exclude all  
8 ordinary diseases of life to which the general public is  
9 exposed, unless the incidence of the disease is substantially  
10 higher in the particular trade, occupation, process, or  
11 employment than for the general public. "Occupational disease"  
12 means only a disease for which there are epidemiological  
13 studies showing that exposure to the specific substance  
14 involved, at the levels to which the employee was exposed, may  
15 cause the precise disease sustained by the employee.

16 (3) Except as ~~hereinafter~~ otherwise provided in this  
17 section, "disablement" means disability as described in s.  
18 440.02(13)~~the event of an employee's becoming actually~~  
19 ~~incapacitated, partially or totally, because of an~~  
20 ~~occupational disease, from performing her or his work in the~~  
21 ~~last occupation in which injuriously exposed to the hazards of~~  
22 ~~such disease; and "disability" means the state of being so~~  
23 ~~incapacitated.~~

24 Section 20. Subsections (1) and (7) of section 440.16,  
25 Florida Statutes, are amended to read:

26 440.16 Compensation for death.--

27 (1) If death results from the accident within 1 year  
28 thereafter or follows continuous disability and results from  
29 the accident within 5 years thereafter, the employer shall  
30 pay:

31

1 (a) Within 14 days after receiving the bill, actual  
2 funeral expenses not to exceed \$7,500 ~~\$5,000~~.

3 (b) Compensation, in addition to the above, in the  
4 following percentages of the average weekly wages to the  
5 following persons entitled thereto on account of dependency  
6 upon the deceased, and in the following order of preference,  
7 subject to the limitation provided in subparagraph 2., but  
8 such compensation shall be subject to the limits provided in  
9 s. 440.12(2), shall not exceed \$150,000 ~~\$100,000~~, and may be  
10 less than, but shall not exceed, for all dependents or persons  
11 entitled to compensation, 66 2/3 percent of the average wage:

12 1. To the spouse, if there is no child, 50 percent of  
13 the average weekly wage, such compensation to cease upon the  
14 spouse's death.

15 2. To the spouse, if there is a child or children, the  
16 compensation payable under subparagraph 1. and, in addition,  
17 16 2/3 percent on account of the child or children. However,  
18 when the deceased is survived by a spouse and also a child or  
19 children, whether such child or children are the product of  
20 the union existing at the time of death or of a former  
21 marriage or marriages, the judge of compensation claims may  
22 provide for the payment of compensation in such manner as may  
23 appear to the judge of compensation claims just and proper and  
24 for the best interests of the respective parties and, in so  
25 doing, may provide for the entire compensation to be paid  
26 exclusively to the child or children; and, in the case of  
27 death of such spouse, 33 1/3 percent for each child. However,  
28 upon the surviving spouse's remarriage, the spouse shall be  
29 entitled to a lump-sum payment equal to 26 weeks of  
30 compensation at the rate of 50 percent of the average weekly  
31 wage as provided in s. 440.12(2), unless the \$150,000 ~~\$100,000~~

1 limit provided in this paragraph is exceeded, in which case  
2 the surviving spouse shall receive a lump-sum payment equal to  
3 the remaining available benefits in lieu of any further  
4 indemnity benefits. In no case shall a surviving spouse's  
5 acceptance of a lump-sum payment affect payment of death  
6 benefits to other dependents.

7           3. To the child or children, if there is no spouse, 33  
8 1/3 percent for each child.

9           4. To the parents, 25 percent to each, such  
10 compensation to be paid during the continuance of dependency.

11           5. To the brothers, sisters, and grandchildren, 15  
12 percent for each brother, sister, or grandchild.

13           (c) To the surviving spouse, payment of postsecondary  
14 student fees for instruction at any area technical center  
15 established under s. 1001.44 for up to 1,800 classroom hours  
16 or payment of student fees at any community college  
17 established under part III of chapter 1004 for up to 80  
18 semester hours. The spouse of a deceased state employee shall  
19 be entitled to a full waiver of such fees as provided in ss.  
20 1009.22 and 1009.23 in lieu of the payment of such fees. The  
21 benefits provided for in this paragraph shall be in addition  
22 to other benefits provided for in this section and shall  
23 terminate 7 years after the death of the deceased employee, or  
24 when the total payment in eligible compensation under  
25 paragraph (b) has been received. To qualify for the  
26 educational benefit under this paragraph, the spouse shall be  
27 required to meet and maintain the regular admission  
28 requirements of, and be registered at, such area technical  
29 center or community college, and make satisfactory academic  
30 progress as defined by the educational institution in which  
31 the student is enrolled.

1           (7) Compensation under this chapter to aliens not  
2 residents (or about to become nonresidents) of the United  
3 States or Canada shall be the same in amount as provided for  
4 residents, except that dependents in any foreign country shall  
5 be limited to surviving spouse and child or children, or if  
6 there be no surviving spouse or child or children, to  
7 surviving father or mother whom the employee has supported,  
8 either wholly or in part, for the period of 1 year prior to  
9 the date of the injury, and except that the judge of  
10 compensation claims may, at the option of the judge of  
11 compensation claims, or upon the application of the insurance  
12 carrier, commute all future installments of compensation to be  
13 paid to such aliens by paying or causing to be paid to them  
14 one-half of the commuted amount of such future installments of  
15 compensation as determined by the judge of compensation  
16 claims, and provided further that compensation to dependents  
17 referred to in this subsection shall in no case exceed \$75,000  
18 ~~\$50,000~~.

19           Section 21. Subsection (9) of section 440.185, Florida  
20 Statutes, is amended, and subsection (12) is added to said  
21 section, to read:

22           440.185 Notice of injury or death; reports; penalties  
23 for violations.--

24           (9) Any employer or carrier who fails or refuses to  
25 timely send any form, report, or notice required by this  
26 section shall be subject to an administrative fine by the  
27 department ~~a civil penalty~~ not to exceed \$1,000~~\$500~~ for each  
28 such failure or refusal. If, within 1 calendar year, an  
29 employer fails to timely submit to the carrier more than 10  
30 percent of its notices of injury or death, the employer shall  
31 be subject to an administrative fine by the department not to

1 exceed \$2,000 for each such failure or refusal. However, any  
2 employer who fails to notify the carrier of the injury on the  
3 prescribed form or by letter within the 7 days required in  
4 subsection (2) shall be liable for the administrative fine  
5 ~~civil penalty~~, which shall be paid by the employer and not the  
6 carrier. Failure by the employer to meet its obligations under  
7 subsection (2) shall not relieve the carrier from liability  
8 for the administrative fine ~~civil penalty~~ if it fails to  
9 comply with subsections (4) and (5).

10 (12) Upon receiving notice of an injury from an  
11 employee under subsection (1), the employer or carrier shall  
12 provide the employee with a written notice, in the form and  
13 manner determined by the department by rule, of the  
14 availability of services from the Employee Assistance and  
15 Ombudsman Office. The substance of the notice to the employee  
16 shall include:

17 (a) A description of the scope of services provided by  
18 the office.

19 (b) A listing of the toll-free telephone number of,  
20 the email address, and the postal address of the office.

21 (c) A statement that the informational brochure  
22 referred to in subsection (4) will be mailed to the employee  
23 within 3 days after the carrier receives notice of the injury.

24 (d) Any other information regarding access to  
25 assistance that the department finds is immediately necessary  
26 for an injured employee.

27 Section 22. Subsections (1) and (2) of section  
28 440.192, Florida Statutes, are amended, and subsection (9) is  
29 added to said section, to read:

30 440.192 Procedure for resolving benefit disputes.--

31



1           (1) ~~Subject to s. 440.191,~~Any employee may, for any  
2 benefit that is ripe, due, and owing,~~who has not received a~~  
3 ~~benefit to which the employee believes she or he is entitled~~  
4 ~~under this chapter shall~~ file by certified mail, or by  
5 electronic means approved by the Deputy Chief Judge, with the  
6 Office of the Judges of Compensation Claims a petition for  
7 benefits which meets the requirements of this section and the  
8 definition of specificity in s. 440.02. The department shall  
9 inform employees of the location of the Office of the Judges  
10 of Compensation Claims for purposes of filing a petition for  
11 benefits. The employee shall also serve copies of the petition  
12 for benefits by certified mail, or by electronic means  
13 approved by the Deputy Chief Judge, upon the employer and the  
14 employer's carrier. The ~~Deputy~~ Chief Judge shall refer the  
15 petitions to the judges of compensation claims.

16           (2) Upon receipt, the Office of the Judges of  
17 Compensation Claims shall review each petition and shall  
18 dismiss each petition or any portion of such a petition,~~upon~~  
19 ~~the judge's own motion or upon the motion of any party,~~that  
20 does not on its face specifically identify or itemize the  
21 following:

22           (a) Name, address, telephone number, and social  
23 security number of the employee.

24           (b) Name, address, and telephone number of the  
25 employer.

26           (c) A detailed description of the injury and cause of  
27 the injury, including the location of the occurrence and the  
28 date or dates of the accident.

29           (d) A detailed description of the employee's job, work  
30 responsibilities, and work the employee was performing when  
31 the injury occurred.

1 (e) The time period for which compensation and the  
2 specific classification of compensation were not timely  
3 provided.

4 (f) Date of maximum medical improvement, character of  
5 disability, and specific statement of all benefits or  
6 compensation that the employee is seeking.

7 (g) All specific travel costs to which the employee  
8 believes she or he is entitled, including dates of travel and  
9 purpose of travel, means of transportation, and mileage and  
10 including the date the request for mileage was filed with the  
11 carrier and a copy of the request filed with the carrier.

12 (h) Specific listing of all medical charges alleged  
13 unpaid, including the name and address of the medical  
14 provider, the amounts due, and the specific dates of  
15 treatment.

16 (i) The type or nature of treatment care or attendance  
17 sought and the justification for such treatment. If the  
18 employee is under the care of a physician for an injury  
19 identified under paragraph (c), a copy of the physician's  
20 request, authorization, or recommendation for treatment, care,  
21 or attendance must accompany the petition.

22 (j) Specific explanation of any other disputed issue  
23 that a judge of compensation claims will be called to rule  
24 upon.

25  
26 The dismissal of any petition or portion of such a petition  
27 under this section is without prejudice and does not require a  
28 hearing.

29 (9) A petition for benefits must contain claims for  
30 all benefits that are ripe, due, and owing on the date the  
31 petition is filed. Unless stipulated in writing by the

1 parties, only claims which have been properly raised in a  
2 petition for benefits and have undergone mediation may be  
3 considered for adjudication by a judge of compensation claims.

4 Section 23. Section 440.1926, Florida Statutes, is  
5 created to read:

6 440.1926 Alternate dispute resolution; claim  
7 arbitration.--Notwithstanding any other provision of this  
8 chapter, the employer, carrier, and employee may mutually  
9 agree to seek consent from a judge of compensation claims to  
10 enter into binding claim arbitration in lieu of any other  
11 remedy provided for in this chapter to resolve all issues in  
12 dispute regarding an injury. Arbitrations agreed to pursuant  
13 to this section shall be governed by chapter 682, the Florida  
14 Arbitration Code, except that, notwithstanding any provision  
15 in chapter 682, the term "court" shall mean a judge of  
16 compensation claims. An arbitration award in accordance with  
17 this section shall be enforceable in the same manner and with  
18 the same powers as any final compensation order.

19 Section 24. Subsections (2), (3), (4), (6), and (8)  
20 and paragraph (d) of subsection (11) of section 440.20,  
21 Florida Statutes, are amended to read:

22 440.20 Time for payment of compensation and medical  
23 bills; penalties for late payment.--

24 (2)(a) The carrier must pay the first installment of  
25 compensation for total disability or death benefits or deny  
26 compensability no later than the 14th calendar day after the  
27 employer receives notification ~~notice~~ of the injury or death,  
28 when disability is immediate and continuous for 8 calendar  
29 days or more after the injury. If the first 7 days after  
30 disability are nonconsecutive or delayed, the first  
31 installment of compensation is due on the 6th day after the

1 first 8 calendar days of disability. The carrier shall  
2 thereafter pay compensation in biweekly installments or as  
3 otherwise provided in s. 440.15, unless the judge of  
4 compensation claims determines or the parties agree that an  
5 alternate installment schedule is in the best interests of the  
6 employee.

7 (b) The carrier must pay, disallow, or deny all  
8 medical, dental, pharmacy, and hospital bills submitted to the  
9 carrier in accordance with department rule no later than 45  
10 calendar days after the carrier's receipt of the bill.

11 (3) Upon making initial payment of indemnity benefits,  
12 or upon suspension or cessation of payment for any reason, the  
13 carrier shall immediately notify the injured employee, the  
14 employer, and the department that it has commenced, suspended,  
15 or ceased payment of compensation. The department may require  
16 such notification to the injured employee, employer, and the  
17 department in a ~~any~~ format and manner it deems necessary to  
18 obtain accurate and timely notification reporting.

19 (4) If the carrier is uncertain of its obligation to  
20 provide all benefits or compensation, ~~it may initiate payment~~  
21 ~~without prejudice and without admitting liability.~~the carrier  
22 shall immediately and in good faith commence investigation of  
23 the employee's entitlement to benefits under this chapter and  
24 shall admit or deny compensability within 120 days after the  
25 initial provision of compensation or benefits as required  
26 under subsection (2) or s. 440.192(8). Additionally, the  
27 carrier shall initiate payment and continue the provision of  
28 all benefits and compensation as if the claim had been  
29 accepted as compensable, without prejudice and without  
30 admitting liability.Upon commencement of payment as required  
31 under subsection (2) or s. 440.192 (8), the carrier shall

1 provide written notice to the employee that it has elected to  
2 pay ~~all or part of~~ the claim pending further investigation,  
3 and that it will advise the employee of claim acceptance or  
4 denial within 120 days. A carrier that fails to deny  
5 compensability within 120 days after the initial provision of  
6 benefits or payment of compensation as required under  
7 subsection (2) or s. 440.192(8) waives the right to deny  
8 compensability, unless the carrier can establish material  
9 facts relevant to the issue of compensability that it could  
10 not have discovered through reasonable investigation within  
11 the 120-day period. The initial provision of compensation or  
12 benefits, for purposes of this subsection, means the first  
13 installment of compensation or benefits to be paid by the  
14 carrier under subsection (2) or pursuant to a petition for  
15 benefits under s. 440.192(8).

16 (6)(a) If any installment of compensation for death or  
17 dependency benefits, or compensation for disability benefits,  
18 ~~permanent impairment, or wage loss~~ payable without an award is  
19 not paid within 7 days after it becomes due, as provided in  
20 subsection (2), subsection (3), or subsection (4), there shall  
21 be added to such unpaid installment a ~~punitive~~ penalty of an  
22 amount equal to 20 percent of the unpaid installment ~~or \$5~~,  
23 which shall be paid at the same time as, but in addition to,  
24 such installment of compensation. This penalty shall not apply  
25 for late payments resulting, unless notice is filed under  
26 ~~subsection (4) or unless such nonpayment results~~ from  
27 conditions over which the employer or carrier had no control.  
28 When any installment of compensation payable without an award  
29 has not been paid within 7 days after it became due and the  
30 claimant concludes the prosecution of the claim before a judge  
31 of compensation claims without having specifically claimed

1 additional compensation in the nature of a penalty under this  
2 section, the claimant will be deemed to have acknowledged  
3 that, owing to conditions over which the employer or carrier  
4 had no control, such installment could not be paid within the  
5 period prescribed for payment and to have waived the right to  
6 claim such penalty. However, during the course of a hearing,  
7 the judge of compensation claims shall on her or his own  
8 motion raise the question of whether such penalty should be  
9 awarded or excused. The department may assess without a  
10 hearing the ~~punitive~~ penalty against either the employer or  
11 the ~~insurance~~ carrier, depending upon who was at fault in  
12 causing the delay. The insurance policy cannot provide that  
13 this sum will be paid by the carrier if the department or the  
14 judge of compensation claims determines that the ~~punitive~~  
15 penalty should be paid ~~made~~ by the employer rather than the  
16 carrier. Any additional installment of compensation paid by  
17 the carrier pursuant to this section shall be paid directly to  
18 the employee by check or, if authorized by the employee, by  
19 direct deposit into the employee's account at a financial  
20 institution. ~~As used in this subsection, the term "financial~~  
21 ~~institution" means a financial institution as defined in s.~~  
22 ~~655.005(1)(h).~~

23 (b) For medical services provided on or after January  
24 1, 2004, the department shall require that all medical,  
25 hospital, pharmacy, or dental bills properly submitted by the  
26 provider, except for bills that are disallowed or denied by  
27 the carrier or its authorized vendor in accordance with  
28 department rule, are timely paid within 45 calendar days after  
29 the carrier's receipt of the bill. The department shall impose  
30 penalties for late payments or disallowances or denials of  
31 medical, hospital, pharmacy, or dental bills that are below a

1 minimum 95 percent timely performance standard. The carrier  
2 shall pay to the Workers' Compensation Administration Trust  
3 Fund a penalty of:

4 1. Twenty-five dollars for each bill below the 95  
5 percent timely performance standard, but meeting a 90 percent  
6 timely standard.

7 2. Fifty dollars for each bill below a 90 percent  
8 timely performance standard.

9 (8)(a) In addition to any other penalties provided by  
10 this chapter for late payment, if any installment of  
11 compensation is not paid when it becomes due, the employer,  
12 carrier, or servicing agent shall pay interest thereon at the  
13 rate of 12 percent per year from the date the installment  
14 becomes due until it is paid, whether such installment is  
15 payable without an order or under the terms of an order. The  
16 interest payment shall be the greater of the amount of  
17 interest due or \$5.

18 ~~(a) Within 30 days after final payment of compensation~~  
19 ~~has been made, the employer, carrier, or servicing agent shall~~  
20 ~~send to the department a notice, in accordance with a format~~  
21 ~~and manner prescribed by the department, stating that such~~  
22 ~~final payment has been made and stating the total amount of~~  
23 ~~compensation paid, the name of the employee and of any other~~  
24 ~~person to whom compensation has been paid, the date of the~~  
25 ~~injury or death, and the date to which compensation has been~~  
26 ~~paid.~~

27 ~~(b) If the employer, carrier, or servicing agent fails~~  
28 ~~to so notify the department within such time, the department~~  
29 ~~shall assess against such employer, carrier, or servicing~~  
30 ~~agent a civil penalty in an amount not over \$100.~~

31

1           ~~(b)(c)~~ In order to ensure carrier compliance under  
2 this chapter ~~and provisions of the Florida Insurance Code~~, the  
3 ~~office department~~ shall monitor, audit, and investigate the  
4 performance of carriers ~~by conducting market conduct~~  
5 ~~examinations, as provided in s. 624.3161, and conducting~~  
6 ~~investigations, as provided in s. 624.317.~~ The office  
7 ~~department~~ shall require ~~establish by rule~~ minimum performance  
8 ~~standards for carriers to ensure that a minimum of 90 percent~~  
9 ~~of all compensation benefits are timely paid in accordance~~  
10 ~~with this section.~~ The office department shall impose  
11 penalties ~~fine a carrier as provided in s. 440.13(11)(b) up to~~  
12 ~~\$50 for each late payments payment~~ of compensation that are ~~is~~  
13 below a ~~the~~ minimum 95 ~~90~~ percent timely payment performance  
14 standard. The carrier shall pay to the Workers' Compensation  
15 Administration Trust Fund a penalty of:

16           1. Fifty dollars per number of installments of  
17 compensation below the 95 percent timely payment performance  
18 standard and equal to or greater than a 90 percent timely  
19 payment performance standard.

20           2. One hundred dollars per number of installments of  
21 compensation below a 90 percent timely payment performance  
22 standard.

23  
24 This section does not affect the imposition of any penalties  
25 or interest due to the claimant. If a carrier contracts with a  
26 servicing agent to fulfill its administrative responsibilities  
27 under this chapter, the payment practices of the servicing  
28 agent are deemed the payment practices of the carrier for the  
29 purpose of assessing penalties against the carrier.

30           (11)

31



1 (d)1. With respect to any lump-sum settlement under  
2 this subsection, a judge of compensation claims must consider  
3 at the time of the settlement, whether the settlement  
4 allocation provides for the appropriate recovery of child  
5 support arrearages. An employer or carrier does not have a  
6 duty to investigate or collect information regarding child  
7 support arrearages.

8 2. When reviewing any settlement of lump-sum payment  
9 pursuant to this subsection, judges of compensation claims  
10 shall consider the interests of the worker and the worker's  
11 family when approving the settlement, which must consider and  
12 provide for appropriate recovery of past due support.

13 3. With respect to any lump-sum settlement under this  
14 subsection, any correspondence to a clerk of the circuit court  
15 of this state regarding child support documentation shall be  
16 exempt from any fees or costs ordinarily assessed by the  
17 clerk's office.

18 Section 25. Section 440.25, Florida Statutes, is  
19 amended to read:

20 440.25 Procedures for mediation and hearings.--

21 (1) Forty days ~~Within 90 days~~ after a petition for  
22 benefits is filed under s. 440.192, ~~a mediation conference~~  
23 ~~concerning such petition shall be held. Within 40 days after~~  
24 ~~such petition is filed,~~ the judge of compensation claims shall  
25 notify the interested parties by order that a mediation  
26 conference concerning such petition has been scheduled ~~will be~~  
27 ~~held~~ unless the parties have notified the judge ~~office of the~~  
28 ~~Judges~~ of compensation claims that a private mediation has  
29 been held or is scheduled to be held. A mediation, whether  
30 private or public, shall be held within 130 days after the  
31 filing of the petition. Such order must give the date ~~by which~~

1 the mediation conference is to ~~must~~ be held. Such order may be  
2 served personally upon the interested parties or may be sent  
3 to the interested parties by mail. If multiple petitions are  
4 pending, or if additional petitions are filed after the  
5 scheduling of a mediation, the judge of compensation claims  
6 shall consolidate all petitions into one mediation.The  
7 claimant or the adjuster of the employer or carrier may, at  
8 the mediator's discretion, attend the mediation conference by  
9 telephone or, if agreed to by the parties, other electronic  
10 means. A continuance may be granted upon the agreement of the  
11 parties or if the requesting party demonstrates to the judge  
12 of compensation claims that the reason for requesting the  
13 continuance arises from circumstances beyond the party's  
14 control. Any order granting a continuance must set forth the  
15 date of the rescheduled mediation conference. A mediation  
16 conference may not be used solely for the purpose of mediating  
17 attorney's fees.

18 (2) Any party who participates in a mediation  
19 conference shall not be precluded from requesting a hearing  
20 following the mediation conference should both parties not  
21 agree to be bound by the results of the mediation conference.  
22 A mediation conference is required to be held unless this  
23 requirement is waived by the Deputy Chief Judge. ~~No later than~~  
24 ~~3 days prior to the mediation conference, all parties must~~  
25 ~~submit any applicable motions, including, but not limited to,~~  
26 ~~a motion to waive the mediation conference, to the judge of~~  
27 ~~compensation claims.~~

28 (3)(a) Such mediation conference shall be conducted  
29 informally and does not require the use of formal rules of  
30 evidence or procedure. Any information from the files,  
31 reports, case summaries, mediator's notes, or other

1 communications or materials, oral or written, relating to a  
2 mediation conference under this section obtained by any person  
3 performing mediation duties is privileged and confidential and  
4 may not be disclosed without the written consent of all  
5 parties to the conference. Any research or evaluation effort  
6 directed at assessing the mediation program activities or  
7 performance must protect the confidentiality of such  
8 information. Each party to a mediation conference has a  
9 privilege during and after the conference to refuse to  
10 disclose and to prevent another from disclosing communications  
11 made during the conference whether or not the contested issues  
12 are successfully resolved. This subsection and paragraphs  
13 (4)(a) and (b) shall not be construed to prevent or inhibit  
14 the discovery or admissibility of any information that is  
15 otherwise subject to discovery or that is admissible under  
16 applicable law or rule of procedure, except that any conduct  
17 or statements made during a mediation conference or in  
18 negotiations concerning the conference are inadmissible in any  
19 proceeding under this chapter.

20 (a)1. Unless the parties conduct a private mediation  
21 under paragraph (b)~~subparagraph 2.~~, mediation shall be  
22 conducted by a mediator selected by the Director of the  
23 Division of Administrative Hearings from among mediators  
24 employed on a full-time basis by the Office of the Judges of  
25 Compensation Claims. A mediator must be a member of The  
26 Florida Bar for at least 5 years and must complete a mediation  
27 training program approved by the Deputy Chief Judge Director  
28 ~~of the Division of Administrative Hearings~~. Adjunct mediators  
29 may be employed by the Office of the Judges of Compensation  
30 Claims on an as-needed basis and shall be selected from a list  
31 prepared by the Director of the Division of Administrative

1 Hearings. An adjunct mediator must be independent of all  
2 parties participating in the mediation conference. An adjunct  
3 mediator must be a member of The Florida Bar for at least 5  
4 years and must complete a mediation training program approved  
5 by the Office of the Judges of Compensation Claims ~~Director of~~  
6 ~~the Division of Administrative Hearings~~. An adjunct mediator  
7 shall have access to the office, equipment, and supplies of  
8 the judge of compensation claims in each district.

9 (b)2. With respect to any private mediation ~~occurring~~  
10 ~~on or after January 1, 2003~~, if the parties agree or if  
11 mediators are not available under paragraph (a), pursuant to  
12 notice from the judge of compensation claims, subparagraph 1.  
13 to conduct the required mediation within the period specified  
14 in this section, the parties shall hold a mediation conference  
15 at the carrier's expense within the 130-day ~~90-day~~ period set  
16 for mediation. The mediation conference shall be conducted by  
17 a mediator certified under s. 44.106. If the parties do not  
18 agree upon a mediator within 10 days after the date of the  
19 order, the claimant shall notify the judge in writing and the  
20 judge shall appoint a mediator under this subparagraph within  
21 7 days. In the event both parties agree, the results of the  
22 mediation conference shall be binding and neither party shall  
23 have a right to appeal the results. In the event either party  
24 refuses to agree to the results of the mediation conference,  
25 the results of the mediation conference as well as the  
26 testimony, witnesses, and evidence presented at the conference  
27 shall not be admissible at any subsequent proceeding on the  
28 claim. The mediator shall not be called in to testify or give  
29 deposition to resolve any claim for any hearing before the  
30 judge of compensation claims. The employer may be represented  
31

1 by an attorney at the mediation conference if the employee is  
2 also represented by an attorney at the mediation conference.

3 ~~(b) The parties shall complete the pretrial~~  
4 ~~stipulations before the conclusion of the mediation conference~~  
5 ~~if the claims, except for attorney's fees and costs, have not~~  
6 ~~been settled and if any claims in any filed petition remain~~  
7 ~~unresolved. The judge of compensation claims may impose~~  
8 ~~sanctions against a party or both parties for failing to~~  
9 ~~complete the pretrial stipulations before the conclusion of~~  
10 ~~the mediation conference.~~

11 (4)(a) If the parties fail to agree to upon written  
12 submission of pretrial stipulations ~~at the mediation~~  
13 ~~conference~~, the judge of compensation claims shall conduct a  
14 live order a pretrial hearing to occur within 14 days after  
15 the date of mediation ordered by the judge of compensation  
16 claims. The judge of compensation claims shall give the  
17 interested parties at least 14 7 days' advance notice of the  
18 pretrial hearing by mail. ~~At the pretrial hearing, the judge~~  
19 ~~of compensation claims shall, subject to paragraph (b), set a~~  
20 ~~date for the final hearing that allows the parties at least 60~~  
21 ~~days to conduct discovery unless the parties consent to an~~  
22 ~~earlier hearing date.~~

23 (b) The final hearing must be held and concluded  
24 within 90 days after the mediation conference is held,  
25 allowing the parties sufficient time to complete discovery.  
26 Except as set forth in this section, continuances may be  
27 granted only if the requesting party demonstrates to the judge  
28 of compensation claims that the reason for requesting the  
29 continuance arises from circumstances beyond the party's  
30 control. The written consent of the claimant must be obtained  
31 before any request from a claimant's attorney is granted for

1 an additional continuance after the initial continuance has  
2 been granted. Any order granting a continuance must set forth  
3 the date and time of the rescheduled hearing. A continuance  
4 may be granted only if the requesting party demonstrates to  
5 the judge of compensation claims that the reason for  
6 requesting the continuance arises from circumstances beyond  
7 the control of the parties. The judge of compensation claims  
8 shall report any grant of two or more continuances to the  
9 Deputy Chief Judge.

10 (c) The judge of compensation claims shall give the  
11 interested parties at least 14 ~~7~~ days' advance notice of the  
12 final hearing, served upon the interested parties by mail.

13 (d) The final hearing shall be held within 210 days  
14 after receipt of the petition for benefits in the county where  
15 the injury occurred, if the injury occurred in this state,  
16 unless otherwise agreed to between the parties and authorized  
17 by the judge of compensation claims in the county where the  
18 injury occurred. However, the claimant may waive the  
19 timeframes within this section for good cause shown. If the  
20 injury occurred outside the state and is one for which  
21 compensation is payable under this chapter, then the final  
22 hearing may be held in the county of the employer's residence  
23 or place of business, or in any other county of the state that  
24 will, in the discretion of the Deputy Chief Judge, be the most  
25 convenient for a hearing. The final hearing shall be conducted  
26 by a judge of compensation claims, who shall, within 30 days  
27 after final hearing or closure of the hearing record, unless  
28 otherwise agreed by the parties, enter a final order on the  
29 merits of the disputed issues. The judge of compensation  
30 claims may enter an abbreviated final order in cases in which  
31 compensability is not disputed. Either party may request

1 separate findings of fact and conclusions of law. At the final  
2 hearing, the claimant and employer may each present evidence  
3 with respect to the claims presented by the petition for  
4 benefits and may be represented by any attorney authorized in  
5 writing for such purpose. When there is a conflict in the  
6 medical evidence submitted at the hearing, the provisions of  
7 s. 440.13 shall apply. The report or testimony of the expert  
8 medical advisor shall be admitted into evidence in a ~~made a~~  
9 ~~part of the record of the proceeding and shall be given the~~  
10 ~~same consideration by the judge of compensation claims as is~~  
11 ~~accorded other medical evidence submitted in the proceeding;~~  
12 and all costs incurred in connection with such examination and  
13 testimony may be assessed as costs in the proceeding, subject  
14 to the provisions of s. 440.13. No judge of compensation  
15 claims may make a finding of a degree of permanent impairment  
16 that is greater than the greatest permanent impairment rating  
17 given the claimant by any examining or treating physician,  
18 except upon stipulation of the parties. Any benefit due but  
19 not raised at the final hearing which was ripe, due, or owing  
20 at the time of the final hearing is waived.

21 (e) The order making an award or rejecting the claim,  
22 referred to in this chapter as a "compensation order," shall  
23 set forth the findings of ultimate facts and the mandate; and  
24 the order need not include any other reason or justification  
25 for such mandate. The compensation order shall be filed in the  
26 Office of the Judges of Compensation Claims at Tallahassee. A  
27 copy of such compensation order shall be sent by mail to the  
28 parties and attorneys of record at the last known address of  
29 each, with the date of mailing noted thereon.

30 ~~(f) Each judge of compensation claims is required to~~  
31 ~~submit a special report to the Deputy Chief Judge in each~~

1 ~~contested workers' compensation case in which the case is not~~  
2 ~~determined within 30 days of final hearing or closure of the~~  
3 ~~hearing record. Said form shall be provided by the director of~~  
4 ~~the Division of Administrative Hearings and shall contain the~~  
5 ~~names of the judge of compensation claims and of the attorneys~~  
6 ~~involved and a brief explanation by the judge of compensation~~  
7 ~~claims as to the reason for such a delay in issuing a final~~  
8 ~~order.~~

9       (f)~~(g)~~ Notwithstanding any other provision of this  
10 section, the judge of compensation claims may require the  
11 appearance of the parties and counsel before her or him  
12 without written notice for an emergency conference where there  
13 is a bona fide emergency involving the health, safety, or  
14 welfare of an employee. An emergency conference under this  
15 section may result in the entry of an order or the rendering  
16 of an adjudication by the judge of compensation claims.

17       (g)~~(h)~~ To expedite dispute resolution and to enhance  
18 the self-executing features of the Workers' Compensation Law,  
19 the Deputy Chief Judge shall make provision by rule or order  
20 for the resolution of appropriate motions by judges of  
21 compensation claims without oral hearing upon submission of  
22 brief written statements in support and opposition, and for  
23 expedited discovery and docketing. Unless the judge of  
24 compensation claims, for good cause, orders a hearing under  
25 paragraph(h)~~(i)~~, each claim in a petition relating to the  
26 determination of the average weekly wage pay under s. 440.14  
27 shall be resolved under this paragraph without oral hearing.

28       (h)~~(i)~~ To further expedite dispute resolution and to  
29 enhance the self-executing features of the system, those  
30 petitions filed in accordance with s. 440.192 that involve a  
31 claim for benefits of \$5,000 or less shall, in the absence of



1 compelling evidence to the contrary, be presumed to be  
2 appropriate for expedited resolution under this paragraph; and  
3 any other claim filed in accordance with s. 440.192, upon the  
4 written agreement of both parties and application by either  
5 party, may similarly be resolved under this paragraph. A claim  
6 in a petition or \$5,000 or less for medical benefits only or a  
7 petition for reimbursement for mileage for medical purposes  
8 shall, in the absence of compelling evidence to the contrary,  
9 be resolved through the expedited dispute resolution process  
10 provided in this paragraph. For purposes of expedited  
11 resolution pursuant to this paragraph, the Deputy Chief Judge  
12 shall make provision by rule or order for expedited and  
13 limited discovery and expedited docketing in such cases. At  
14 least 15 days prior to hearing, the parties shall exchange and  
15 file with the judge of compensation claims a pretrial outline  
16 of all issues, defenses, and witnesses on a form adopted by  
17 the Deputy Chief Judge; provided, in no event shall such  
18 hearing be held without 15 days' written notice to all  
19 parties. No pretrial hearing shall be held and no mediation  
20 scheduled unless requested by a party. The judge of  
21 compensation claims shall limit all argument and presentation  
22 of evidence at the hearing to a maximum of 30 minutes, and  
23 such hearings shall not exceed 30 minutes in length. Neither  
24 party shall be required to be represented by counsel. The  
25 employer or carrier may be represented by an adjuster or other  
26 qualified representative. The employer or carrier and any  
27 witness may appear at such hearing by telephone. The rules of  
28 evidence shall be liberally construed in favor of allowing  
29 introduction of evidence.

30 (i)~~(j)~~ A judge of compensation claims may, upon the  
31 motion of a party or the judge's own motion, dismiss a

1 petition for lack of prosecution if a petition, response,  
2 motion, order, request for hearing, or notice of deposition  
3 has not been filed during the previous 12 months unless good  
4 cause is shown. A dismissal for lack of prosecution is without  
5 prejudice and does not require a hearing.

6 (j)~~(k)~~ A judge of compensation claims may not award  
7 interest on unpaid medical bills and the amount of such bills  
8 may not be used to calculate the amount of interest awarded.  
9 Regardless of the date benefits were initially requested,  
10 attorney's fees do not attach under this subsection until 30  
11 days after the date the carrier or self-insured employer  
12 receives the petition.

13 (5)(a) Procedures with respect to appeals from orders  
14 of judges of compensation claims shall be governed by rules  
15 adopted by the Supreme Court. Such an order shall become final  
16 30 days after mailing of copies of such order to the parties,  
17 unless appealed pursuant to such rules.

18 (b) An appellant may be relieved of any necessary  
19 filing fee by filing a verified petition of indigency for  
20 approval as provided in s. 57.081(1) and may be relieved in  
21 whole or in part from the costs for preparation of the record  
22 on appeal if, within 15 days after the date notice of the  
23 estimated costs for the preparation is served, the appellant  
24 files with the judge of compensation claims a copy of the  
25 designation of the record on appeal, and a verified petition  
26 to be relieved of costs. A verified petition filed prior to  
27 the date of service of the notice of the estimated costs shall  
28 be deemed not timely filed. The verified petition relating to  
29 record costs shall contain a sworn statement that the  
30 appellant is insolvent and a complete, detailed, and sworn  
31 financial affidavit showing all the appellant's assets,

1 liabilities, and income. Failure to state in the affidavit all  
2 assets and income, including marital assets and income, shall  
3 be grounds for denying the petition with prejudice. The Office  
4 of the Judges of Compensation Claims shall adopt rules as may  
5 be required pursuant to this subsection, including forms for  
6 use in all petitions brought under this subsection. The  
7 appellant's attorney, or the appellant if she or he is not  
8 represented by an attorney, shall include as a part of the  
9 verified petition relating to record costs an affidavit or  
10 affirmation that, in her or his opinion, the notice of appeal  
11 was filed in good faith and that there is a probable basis for  
12 the District Court of Appeal, First District, to find  
13 reversible error, and shall state with particularity the  
14 specific legal and factual grounds for the opinion. Failure to  
15 so affirm shall be grounds for denying the petition. A copy of  
16 the verified petition relating to record costs shall be served  
17 upon all interested parties. The judge of compensation claims  
18 shall promptly conduct a hearing on the verified petition  
19 relating to record costs, giving at least 15 days' notice to  
20 the appellant, the department, and all other interested  
21 parties, all of whom shall be parties to the proceedings. The  
22 judge of compensation claims may enter an order without such  
23 hearing if no objection is filed by an interested party within  
24 20 days from the service date of the verified petition  
25 relating to record costs. Such proceedings shall be conducted  
26 in accordance with the provisions of this section and with the  
27 workers' compensation rules of procedure, to the extent  
28 applicable. In the event an insolvency petition is granted,  
29 the judge of compensation claims shall direct the department  
30 to pay record costs and filing fees from the Workers'  
31 Compensation Administration Trust Fund pending final

1 disposition of the costs of appeal. The department may  
2 transcribe or arrange for the transcription of the record in  
3 any proceeding for which it is ordered to pay the cost of the  
4 record.

5 (c) As a condition of filing a notice of appeal to the  
6 District Court of Appeal, First District, an employer who has  
7 not secured the payment of compensation under this chapter in  
8 compliance with s. 440.38 shall file with the notice of appeal  
9 a good and sufficient bond, as provided in s. 59.13,  
10 conditioned to pay the amount of the demand and any interest  
11 and costs payable under the terms of the order if the appeal  
12 is dismissed, or if the District Court of Appeal, First  
13 District, affirms the award in any amount. Upon the failure of  
14 such employer to file such bond with ~~the judge of compensation~~  
15 ~~claims or~~ the District Court of Appeal, First District, along  
16 with the notice of appeal, the District Court of Appeal, First  
17 District, shall dismiss the notice of appeal.

18 (6) An award of compensation for disability may be  
19 made after the death of an injured employee.

20 (7) ~~An injured employee claiming or entitled to~~  
21 ~~compensation shall submit to such physical examination by a~~  
22 ~~certified expert medical advisor approved by the agency or the~~  
23 ~~judge of compensation claims as the agency or the judge of~~  
24 ~~compensation claims may require. The place or places shall be~~  
25 ~~reasonably convenient for the employee. Such physician or~~  
26 ~~physicians as the employee, employer, or carrier may select~~  
27 ~~and pay for may participate in an examination if the employee,~~  
28 ~~employer, or carrier so requests. Proceedings shall be~~  
29 ~~suspended and no compensation shall be payable for any period~~  
30 ~~during which the employee may refuse to submit to examination.~~  
31 Any interested party shall have the right in any case of death

1 to require an autopsy, the cost thereof to be borne by the  
2 party requesting it; and the judge of compensation claims  
3 shall have authority to order and require an autopsy and may,  
4 in her or his discretion, withhold her or his findings and  
5 award until an autopsy is held.

6 Section 26. Subsections (1), (2), and (3) of section  
7 440.34, Florida Statutes, are amended, and subsection (7) is  
8 added to said section, to read:

9 440.34 Attorney's fees; costs.--

10 (1) A fee, gratuity, or other consideration may not be  
11 paid for ~~services rendered for~~ a claimant in connection with  
12 any proceedings arising under this chapter, unless approved as  
13 reasonable by the judge of compensation claims or court having  
14 jurisdiction over such proceedings. ~~Except as provided by this~~  
15 ~~subsection,~~ Any attorney's fee approved by a judge of  
16 compensation claims for benefits secured on behalf of services  
17 ~~rendered to~~ a claimant must equal to 20 percent of the first  
18 \$5,000 of the amount of the benefits secured, 15 percent of  
19 the next \$5,000 of the amount of the benefits secured, 10  
20 percent of the remaining amount of the benefits secured to be  
21 provided during the first 10 years after the date the claim is  
22 filed, and 5 percent of the benefits secured after 10 years.  
23 The judge of compensation claims shall not approve a  
24 compensation order, a joint stipulation for lump-sum  
25 settlement, a stipulation or agreement between a claimant and  
26 his or her attorney, or any other agreement related to  
27 benefits under this chapter that provides for an attorney's  
28 fee in excess of the amount permitted by this section. The  
29 judge of compensation claims is not required to approve any  
30 retainer agreement between the claimant and his or her  
31 attorney. The retainer agreement as to fees and costs may not

1 be for compensation in excess of the amount allowed under this  
2 section. ~~However, The judge of compensation claims shall~~  
3 ~~consider the following factors in each case and may increase~~  
4 ~~or decrease the attorney's fee if, in her or his judgment, the~~  
5 ~~circumstances of the particular case warrant such action:~~  
6       ~~(a) The time and labor required, the novelty and~~  
7 ~~difficulty of the questions involved, and the skill requisite~~  
8 ~~to perform the legal service properly.~~  
9       ~~(b) The fee customarily charged in the locality for~~  
10 ~~similar legal services.~~  
11       ~~(c) The amount involved in the controversy and the~~  
12 ~~benefits resulting to the claimant.~~  
13       ~~(d) The time limitation imposed by the claimant or the~~  
14 ~~circumstances.~~  
15       ~~(e) The experience, reputation, and ability of the~~  
16 ~~lawyer or lawyers performing services.~~  
17       ~~(f) The contingency or certainty of a fee.~~  
18       (2) In awarding a reasonable claimant's attorney's  
19 fee, the judge of compensation claims shall consider only  
20 those benefits secured by ~~to the claimant that~~ the attorney is  
21 ~~responsible for securing.~~ An attorney is not entitled to  
22 attorney's fees for representation in any issue that was ripe,  
23 due, and owing and that reasonably could have been addressed,  
24 but was not addressed, during the pendency of other issues for  
25 the same injury. The amount, statutory basis, and type of  
26 benefits obtained through legal representation shall be listed  
27 on all attorney's fees awarded by the judge of compensation  
28 claims. For purposes of this section, the term "benefits  
29 secured" ~~means benefits obtained as a result of the claimant's~~  
30 ~~attorney's legal services rendered in connection with the~~  
31 ~~claim for benefits.~~ However, such term does not include

1 future medical benefits to be provided on any date more than 5  
2 years after the date the claim is filed. In the event an offer  
3 to settle an issue pending before a judge of compensation  
4 claims, including attorney's fees as provided for in this  
5 section, is communicated in writing to the claimant or the  
6 claimant's attorney at least 30 days prior to the trial date  
7 on such issue, for purposes of calculating the amount of  
8 attorney's fees to be taxed against the employer or carrier,  
9 the term "benefits secured" shall be deemed to include only  
10 that amount awarded to the claimant above the amount specified  
11 in the offer to settle. If multiple issues are pending before  
12 the judge of compensation claims, said offer of settlement  
13 shall address each issue pending and shall state explicitly  
14 whether or not the offer on each issue is severable. The  
15 written offer shall also unequivocally state whether or not it  
16 includes medical witness fees and expenses and all other costs  
17 associated with the claim.

18 (3) If any party ~~the claimant~~ should prevail in any  
19 proceedings before a judge of compensation claims or court,  
20 there shall be taxed against the nonprevailing party ~~employer~~  
21 the reasonable costs of such proceedings, not to include ~~the~~  
22 attorney's fees ~~of the claimant~~. A claimant shall be  
23 responsible for the payment of her or his own attorney's fees,  
24 except that a claimant shall be entitled to recover a  
25 reasonable attorney's fee from a carrier or employer:

26 (a) Against whom she or he successfully asserts a  
27 petition for medical benefits only, if the claimant has not  
28 filed or is not entitled to file at such time a claim for  
29 disability, permanent impairment, wage-loss, or death  
30 benefits, arising out of the same accident;

31

1           (b) In any case in which the employer or carrier files  
2 a response to petition denying benefits with the Office of the  
3 Judges of Compensation Claims and the injured person has  
4 employed an attorney in the successful prosecution of the  
5 petition;

6           (c) In a proceeding in which a carrier or employer  
7 denies that an accident occurred for which compensation  
8 benefits are payable, and the claimant prevails on the issue  
9 of compensability; or

10           (d) In cases where the claimant successfully prevails  
11 in proceedings filed under s. 440.24 or s. 440.28.

12  
13 Regardless of the date benefits were initially requested,  
14 attorney's fees shall not attach under this subsection until  
15 30 days after the date the carrier or employer, if  
16 self-insured, receives the petition. ~~In applying the factors  
17 set forth in subsection (1) to cases arising under paragraphs  
18 (a), (b), (c), and (d), the judge of compensation claims must  
19 only consider only such benefits and the time reasonably spent  
20 in obtaining them as were secured for the claimant within the  
21 scope of paragraphs (a), (b), (c), and (d).~~

22           (7) If an attorney's fee is owed under paragraph  
23 (3)(a), the judge of compensation claims may approve an  
24 alternative attorney's fee not to exceed \$1,500 only once per  
25 accident, based on a maximum hourly rate of \$150 per hour, if  
26 the judge of compensation claims expressly finds that the  
27 attorney's fee amount provided for in subsection (1), based on  
28 benefits secured, fails to fairly compensate the attorney for  
29 disputed medical-only claims as provided in paragraph (3)(a)  
30 and the circumstances of the particular case warrant such  
31 action.



1           Section 27. Subsection (7) is added to section 440.38,  
2 Florida Statutes, to read:

3           440.38 Security for compensation; insurance carriers  
4 and self-insurers.--

5           (7) Any employer who meets the requirements of  
6 subsection (1) through a policy of insurance issued outside of  
7 this state must at all times, with respect to all employees  
8 working in this state, maintain the required coverage under a  
9 Florida endorsement using Florida rates and rules pursuant to  
10 payroll reporting that accurately reflects the work performed  
11 in this state by such employees.

12           Section 28. Subsections (2) and (6) of section  
13 440.381, Florida Statutes, are amended to read:

14           440.381 Application for coverage; reporting payroll;  
15 payroll audit procedures; penalties.--

16           (2) Submission of an application that contains false,  
17 misleading, or incomplete information provided with the  
18 purpose of avoiding or reducing the amount of premiums for  
19 workers' compensation coverage is a felony of the second  
20 degree, punishable as provided in s. 775.082, s. 775.083, or  
21 s. 775.084.The application must contain a statement that the  
22 filing of an application containing false, misleading, or  
23 incomplete information provided with the purpose of avoiding  
24 or reducing the amount of premiums for workers' compensation  
25 coverage is a felony of the third degree, punishable as  
26 provided in s. 775.082, s. 775.083, or s. 775.084. The  
27 application must contain a sworn statement by the employer  
28 attesting to the accuracy of the information submitted and  
29 acknowledging the provisions of former s. 440.37(4). The  
30 application must contain a sworn statement by the agent  
31 attesting that the agent explained to the employer or officer

1 the classification codes that are used for premium  
2 calculations.

3       (6)(a) If an employer understates or conceals payroll,  
4 or misrepresents or conceals employee duties so as to avoid  
5 proper classification for premium calculations, or  
6 misrepresents or conceals information pertinent to the  
7 computation and application of an experience rating  
8 modification factor, the employer, or the employer's agent or  
9 attorney, shall pay to the insurance carrier a penalty of 10  
10 times the amount of the difference in premium paid and the  
11 amount the employer should have paid and reasonable attorney's  
12 fees. The penalty may be enforced in the circuit courts of  
13 this state.

14       (b) If the department determines that an employer has  
15 materially understated or concealed payroll, has materially  
16 misrepresented or concealed employee duties so as to avoid  
17 proper classification for premium calculations, or has  
18 materially misrepresented or concealed information pertinent  
19 to the computation and application of an experience rating  
20 modification factor, the department shall immediately notify  
21 the employer's carrier of such determination. The carrier  
22 shall commence a physical onsite audit of the employer within  
23 30 days after receiving notification from the department. If  
24 the carrier fails to commence the audit as required by this  
25 section, the department shall contract with auditing  
26 professionals to conduct the audit at the carrier's expense. A  
27 copy of the carrier's audit of the employer shall be provided  
28 to the department upon completion. The carrier is not required  
29 to conduct the physical onsite audit of the employer as set  
30 forth in this paragraph if the carrier gives written notice of  
31 cancellation to the employer within 30 days after receiving

1 notification from the department of the material  
2 misrepresentation, understatement, or concealment and an audit  
3 is conducted in conjunction with the cancellation.

4 Section 29. Subsection (3) of section 440.42, Florida  
5 Statutes, is amended to read:

6 440.42 Insurance policies; liability.--

7 (3) No contract or policy of insurance issued by a  
8 carrier under this chapter shall expire or be canceled until  
9 at least 30 days have elapsed after a notice of cancellation  
10 has been sent to the department and to the employer in  
11 accordance with the provisions of s. 440.185(7). For  
12 cancellation due to nonpayment of premium, the insurer shall  
13 mail notification to the employer at least 10 days prior to  
14 the effective date of the cancellation. However, when  
15 duplicate or dual coverage exists by reason of two different  
16 carriers having issued policies of insurance to the same  
17 employer securing the same liability, it shall be presumed  
18 that only that policy with the later effective date shall be  
19 in force and that the earlier policy terminated upon the  
20 effective date of the latter. In the event that both policies  
21 carry the same effective date, one of the policies may be  
22 canceled instanter upon filing a notice of cancellation with  
23 the department and serving a copy thereof upon the employer in  
24 such manner as the department prescribes by rule. The  
25 department may by rule prescribe the content of the notice of  
26 retroactive cancellation and specify the time, place, and  
27 manner in which the notice of cancellation is to be served.

28 Section 30. Paragraph (a) of subsection (4) of section  
29 440.49, Florida Statutes, is amended to read:

30 440.49 Limitation of liability for subsequent injury  
31 through Special Disability Trust Fund.--

1           (4) PERMANENT IMPAIRMENT OR PERMANENT TOTAL  
2 DISABILITY, TEMPORARY BENEFITS, MEDICAL BENEFITS, OR ATTENDANT  
3 CARE AFTER OTHER PHYSICAL IMPAIRMENT.--

4           (a) Permanent impairment.--If an employee who has a  
5 preexisting permanent physical impairment incurs a subsequent  
6 permanent impairment from injury or occupational disease  
7 arising out of, and in the course of, her or his employment  
8 which merges with the preexisting permanent physical  
9 impairment to cause a permanent impairment, the employer  
10 shall, in the first instance, pay all benefits provided by  
11 this chapter; but, subject to the limitations specified in  
12 subsection (6), such employer shall be reimbursed from the  
13 Special Disability Trust Fund created by subsection (9) for 50  
14 percent of all impairment benefits which the employer has been  
15 required to provide pursuant to s. 440.15(3)~~(a)~~ as a result of  
16 the subsequent accident or occupational disease.

17           Section 31. Subsection (6) of section 440.491, Florida  
18 Statutes, is amended to read:

19           440.491 Reemployment of injured workers;  
20 rehabilitation.--

21           (6) TRAINING AND EDUCATION.--

22           (a) Upon referral of an injured employee by the  
23 carrier, or upon the request of an injured employee, the  
24 department shall conduct a training and education screening to  
25 determine whether it should refer the employee for a  
26 vocational evaluation and, if appropriate, approve training  
27 and education or other vocational services for the employee.  
28 The department may not approve formal training and education  
29 programs unless it determines, after consideration of the  
30 reemployment assessment, pertinent reemployment status reviews  
31 or reports, and such other relevant factors as it prescribes

1 by rule, that the reemployment plan is likely to result in  
2 return to suitable gainful employment. The department is  
3 authorized to expend moneys from the Workers' Compensation  
4 Administration Trust Fund, established by s. 440.50, to secure  
5 appropriate training and education at a community college  
6 established under part III of chapter 240 or at a  
7 vocational-technical school established under s. 230.63, or to  
8 secure other vocational services when necessary to satisfy the  
9 recommendation of a vocational evaluator. As used in this  
10 paragraph, "appropriate training and education" includes  
11 securing a general education diploma (GED), if necessary.The  
12 department shall establish training and education standards  
13 pertaining to employee eligibility, course curricula and  
14 duration, and associated costs.

15 (b) When ~~it appears that~~ an employee who has attained  
16 maximum medical improvement is unable to earn at least 80  
17 percent of the compensation rate and requires training and  
18 education to obtain suitable gainful employment, the employer  
19 or carrier shall pay the employee additional training and  
20 education temporary total compensation benefits while the  
21 employee receives such training and education for a period not  
22 to exceed 26 weeks, which period may be extended for an  
23 additional 26 weeks or less, if such extended period is  
24 determined to be necessary and proper by a judge of  
25 compensation claims. The benefits provided under this  
26 paragraph shall not be in addition to the 104 weeks as  
27 specified in s. 440.15(2).However, a carrier or employer is  
28 not precluded from voluntarily paying additional temporary  
29 total disability compensation beyond that period. If an  
30 employee requires temporary residence at or near a facility or  
31 an institution providing training and education which is

1 located more than 50 miles away from the employee's customary  
2 residence, the reasonable cost of board, lodging, or travel  
3 must be borne by the department from the Workers' Compensation  
4 Administration Trust Fund established by s. 440.50. An  
5 employee who refuses to accept training and education that is  
6 recommended by the vocational evaluator and considered  
7 necessary by the department will forfeit any additional  
8 training and education benefits and any additional payment for  
9 lost wages under this chapter. The department shall adopt  
10 rules to implement this section, which shall include  
11 requirements placed upon the carrier to notify the injured  
12 employee of the availability of training and education  
13 benefits as specified in this chapter. The department shall  
14 also include information regarding the eligibility for  
15 training and education benefits in informational materials  
16 specified in ss. 440.207 and 440.40 ~~is subject to a 50-percent~~  
17 ~~reduction in weekly compensation benefits, including wage-loss~~  
18 ~~benefits, as determined under s. 440.15(3)(b).~~

19 Section 32. Section 440.525, Florida Statutes, is  
20 amended to read:

21 440.525 Examination and investigation of carriers and  
22 claims-handling entities.--

23 (1) The department may examine, or investigate any  
24 ~~each~~ carrier, third-party administrator, servicing agent, or  
25 other claims-handling entity as often as is warranted to  
26 ensure that it is ~~carriers are fulfilling its their~~  
27 obligations under this chapter the law. The examination may  
28 cover any period of the carrier's operations since the last  
29 previous examination.

30 (2) An examination may cover any period of the  
31 carrier's, third-party administrator's, servicing agent's, or

1 other claims-handling entity's operations since the last  
2 previous examination. An investigation based upon a reasonable  
3 belief by the department that a material violation of this  
4 chapter has occurred may cover any time period, but may not  
5 predate the last examination by more than 5 years. The  
6 department may by rule establish procedures, standards, and  
7 protocols for examinations and investigations. If the  
8 department finds any violation of this chapter, it may impose  
9 administrative penalties pursuant to this chapter. If the  
10 department finds any self-insurer in violation of this  
11 chapter, it may take action pursuant s. 440.38(3).

12 Examinations or investigations by the department may address,  
13 but are not limited to addressing, patterns or practices of  
14 unreasonable delay in claims handling; timeliness and accuracy  
15 of payments and reports under ss. 440.13, 440.16, and 440.185;  
16 or patterns or practices of harassment, coercion, or  
17 intimidation of claimants. The department may also specify by  
18 rule the documentation to be maintained for each claim file.

19 (3) As to any examination or investigation conducted  
20 under this chapter, the department shall have the power to  
21 conduct onsite inspections of claims records and documentation  
22 of a carrier, third-party administrator, servicing agent, or  
23 other claims-handling entity, and conduct interviews, both  
24 sworn and unsworn, of claims-handling personnel. Carriers,  
25 third-party administrators, servicing agents, and other  
26 claims-handling entities shall make all claims records,  
27 documentation, communication, and correspondence available to  
28 department personnel during regular business hours. If any  
29 person fails to comply with a request for production of  
30 records or documents or fails to produce an employee for  
31 interview, the department may compel production or attendance

1 by subpoena. The results of an examination or investigation  
2 shall be provided to the carrier, third-party administrator,  
3 servicing agent, or other claims-handling entity in a written  
4 report setting forth the basis for any violations that are  
5 asserted. Such report is agency action for purposes of chapter  
6 120, and the aggrieved party may request a proceeding under s.  
7 120.57 with regard to the findings and conclusion of the  
8 report.

9 (4) If the department finds that violations of this  
10 chapter have occurred, the department may impose an  
11 administrative penalty upon the offending entity or entities.  
12 For each offending entity, such penalties shall not exceed  
13 \$2,500 for each pattern or practice constituting nonwillful  
14 violation and shall not exceed an aggregate amount of \$10,000  
15 for all nonwillful violations arising out of the same action.  
16 If the department finds a pattern of practice that constitutes  
17 a willful violation, the department may impose an  
18 administrative penalty upon each offending entity not to  
19 exceed \$20,000 for each willful pattern or practice. Such  
20 finer shall not exceed \$100,000 for all willful violations  
21 arising out of the same action. No penalty assessed under this  
22 section may be recouped by any carrier in the rate base, the  
23 premium, or any rate filing. Any administrative penalty  
24 imposed under this section for a nonwillful violation shall  
25 not duplicate an administrative penalty imposed under another  
26 provision of this chapter or the Insurance Code. The  
27 department may adopt rules to implement this section. The  
28 department shall adopt penalty guidelines by rule to set  
29 penalties under this chapter.

30 Section 33. Subsection (2) of section 627.162, Florida  
31 Statutes, is amended to read:



1           627.162 Requirements for premium installments;  
2 delinquency, collection, and check return charges; attorney's  
3 fees.--

4           (2) Insurers providing workers' compensation coverage  
5 under chapter 440 may charge the insured a delinquency and  
6 collection fee on each installment in default for a period of  
7 not less than 5 days in an amount not to exceed ~~\$25~~~~\$10~~ or 5  
8 percent of the delinquent installment, whichever is greater.  
9 Only one such delinquency and collection fee may be collected  
10 on any such installment regardless of the period during which  
11 it remains in default.

12           Section 34. Section 627.285, Florida Statutes, is  
13 created to read:

14           627.285 Independent actuarial peer review of workers'  
15 compensation rating organization.--The Financial Services  
16 Commission shall at least once every other year contract for  
17 an independent actuarial peer review and analysis of the  
18 ratemaking processes of any licensed rating organization that  
19 makes rate filings for workers' compensation insurance and the  
20 rating organization shall fully cooperate in the peer review.  
21 The contract shall require submission of a final report to the  
22 commission, the President of the Senate, and the Speaker of  
23 the House of Representatives by February 1. The first report  
24 shall be submitted by February 1, 2004. The costs of the  
25 independent actuarial peer review shall be paid from the  
26 Workers' Compensation Administration Trust Fund.

27           Section 35. Effective July, 1, 2003, paragraphs (b),  
28 (c), and (d) of subsection (4) of section 627.311, Florida  
29 Statutes, are amended to read

30           627.311 Joint underwriters and joint reinsurers.--

31           (4)

1 (b) The operation of the plan is subject to the  
2 supervision of a 9-member ~~13-member~~ board of governors. The  
3 board of governors shall be comprised of:

4 1. Three members appointed by the Financial Services  
5 Commission. Each member appointed by the commission shall  
6 serve at the pleasure of the commission;

7 ~~2.1. Two~~ Five of the 20 domestic insurers, as defined  
8 in s. 624.06(1), having the largest voluntary direct premiums  
9 written in this state for workers' compensation and employer's  
10 liability insurance, which shall be elected by those 20  
11 domestic insurers;

12 ~~3.2. Two~~ Five of the 20 foreign insurers as defined in  
13 s. 624.06(2) having the largest voluntary direct premiums  
14 written in this state for workers' compensation and employer's  
15 liability insurance, which shall be elected by those 20  
16 foreign insurers;

17 ~~3. One person, who shall serve as the chair, appointed~~  
18 ~~by the Insurance Commissioner;~~

19 4. One person appointed by the largest property and  
20 casualty insurance agents' association in this state; and

21 5. The consumer advocate appointed under s. 627.0613  
22 or the consumer advocate's designee.

23

24 Each board member shall serve a 4-year term and may serve  
25 consecutive terms. A vacancy on the board shall be filled in  
26 the same manner as the original appointment for the unexpired  
27 portion of the term. The Financial Services Commission shall  
28 designate a member of the board to serve as chair.No board  
29 member shall be an insurer which provides service to the plan  
30 or which has an affiliate which provides services to the plan  
31 or which is serviced by a service company or third-party

1 administrator which provides services to the plan or which has  
2 an affiliate which provides services to the plan. The minutes,  
3 audits, and procedures of the board of governors are subject  
4 to chapter 119.

5 (c) The operation of the plan shall be governed by a  
6 plan of operation that is prepared at the direction of the  
7 board of governors. The plan of operation may be changed at  
8 any time by the board of governors or upon request of the  
9 department. The plan of operation and all changes thereto are  
10 subject to the approval of the department. The plan of  
11 operation shall:

12 1. Authorize the board to engage in the activities  
13 necessary to implement this subsection, including, but not  
14 limited to, borrowing money.

15 2. Develop criteria for eligibility for coverage by  
16 the plan, including, but not limited to, documented rejection  
17 by at least two insurers which reasonably assures that  
18 insureds covered under the plan are unable to acquire coverage  
19 in the voluntary market. Any insured may voluntarily elect to  
20 accept coverage from an insurer for a premium equal to or  
21 greater than the plan premium if the insurer writing the  
22 coverage adheres to the provisions of s. 627.171.

23 3. Require notice from the agent to the insured at the  
24 time of the application for coverage that the application is  
25 for coverage with the plan and that coverage may be available  
26 through an insurer, group self-insurers' fund, commercial  
27 self-insurance fund, or assessable mutual insurer through  
28 another agent at a lower cost.

29 4. Establish programs to encourage insurers to provide  
30 coverage to applicants of the plan in the voluntary market and  
31 to insureds of the plan, including, but not limited to:

1 a. Establishing procedures for an insurer to use in  
2 notifying the plan of the insurer's desire to provide coverage  
3 to applicants to the plan or existing insureds of the plan and  
4 in describing the types of risks in which the insurer is  
5 interested. The description of the desired risks must be on a  
6 form developed by the plan.

7 b. Developing forms and procedures that provide an  
8 insurer with the information necessary to determine whether  
9 the insurer wants to write particular applicants to the plan  
10 or insureds of the plan.

11 c. Developing procedures for notice to the plan and  
12 the applicant to the plan or insured of the plan that an  
13 insurer will insure the applicant or the insured of the plan,  
14 and notice of the cost of the coverage offered; and developing  
15 procedures for the selection of an insuring entity by the  
16 applicant or insured of the plan.

17 d. Provide for a market-assistance plan to assist in  
18 the placement of employers. All applications for coverage in  
19 the plan received 45 days before the effective date for  
20 coverage shall be processed through the market-assistance  
21 plan. A market-assistance plan specifically designed to serve  
22 the needs of small good policyholders as defined by the board  
23 must be finalized by January 1, 1994.

24 5. Provide for policy and claims services to the  
25 insureds of the plan of the nature and quality provided for  
26 insureds in the voluntary market.

27 6. Provide for the review of applications for coverage  
28 with the plan for reasonableness and accuracy, using any  
29 available historic information regarding the insured.

30 7. Provide for procedures for auditing insureds of the  
31 plan which are based on reasonable business judgment and are

1 designed to maximize the likelihood that the plan will collect  
2 the appropriate premiums.

3           8. Authorize the plan to terminate the coverage of and  
4 refuse future coverage for any insured that submits a  
5 fraudulent application to the plan or provides fraudulent or  
6 grossly erroneous records to the plan or to any service  
7 provider of the plan in conjunction with the activities of the  
8 plan.

9           9. Establish service standards for agents who submit  
10 business to the plan.

11           10. Establish criteria and procedures to prohibit any  
12 agent who does not adhere to the established service standards  
13 from placing business with the plan or receiving, directly or  
14 indirectly, any commissions for business placed with the plan.

15           11. Provide for the establishment of reasonable safety  
16 programs for all insureds in the plan. All insureds of the  
17 plan must participate in the safety program.

18           12. Authorize the plan to terminate the coverage of  
19 and refuse future coverage to any insured who fails to pay  
20 premiums or surcharges when due; who, at the time of  
21 application, is delinquent in payments of workers'  
22 compensation or employer's liability insurance premiums or  
23 surcharges owed to an insurer, group self-insurers' fund,  
24 commercial self-insurance fund, or assessable mutual insurer  
25 licensed to write such coverage in this state; or who refuses  
26 to substantially comply with any safety programs recommended  
27 by the plan.

28           13. Authorize the board of governors to provide the  
29 services required by the plan through staff employed by the  
30 plan, through reasonably compensated service providers who  
31 contract with the plan to provide services as specified by the

1 board of governors, or through a combination of employees and  
2 service providers.

3           14. Provide for service standards for service  
4 providers, methods of determining adherence to those service  
5 standards, incentives and disincentives for service, and  
6 procedures for terminating contracts for service providers  
7 that fail to adhere to service standards.

8           15. Provide procedures for selecting service providers  
9 and standards for qualification as a service provider that  
10 reasonably assure that any service provider selected will  
11 continue to operate as an ongoing concern and is capable of  
12 providing the specified services in the manner required.

13           16. Provide for reasonable accounting and  
14 data-reporting practices.

15           17. Provide for annual review of costs associated with  
16 the administration and servicing of the policies issued by the  
17 plan to determine alternatives by which costs can be reduced.

18           18. Authorize the acquisition of such excess insurance  
19 or reinsurance as is consistent with the purposes of the plan.

20           19. Provide for an annual report to the department on  
21 a date specified by the department and containing such  
22 information as the department reasonably requires.

23           20. Establish multiple rating plans for various  
24 classifications of risk which reflect risk of loss, hazard  
25 grade, actual losses, size of premium, and compliance with  
26 loss control. At least one of such plans must be a  
27 preferred-rating plan to accommodate small-premium  
28 policyholders with good experience as defined in  
29 sub-subparagraph 22.a.

30           21. Establish agent commission schedules.

31           22. Establish four ~~three~~ subplans as follows:

1           a. Subplan "A" must include those insureds whose  
2 annual premium does not exceed \$2,500 and who have neither  
3 incurred any lost-time claims nor incurred medical-only claims  
4 exceeding 50 percent of their premium for the immediate 2  
5 years.

6           b. Subplan "B" must include insureds that are  
7 employers identified by the board of governors as high-risk  
8 employers due solely to the nature of the operations being  
9 performed by those insureds and for whom no market exists in  
10 the voluntary market, and whose experience modifications are  
11 less than 1.00.

12           c. Subplan "C" must include all ~~other~~ insureds within  
13 the plan that are not eligible for subplan "A," subplan "B,"  
14 or subplan "D."

15           d. Subplan "D" must include any employer, regardless  
16 of the length of time for which it has conducted business  
17 operations, which has an experience modification factor of  
18 1.10 or less and either employs 15 or fewer employees or is an  
19 organization that is exempt from federal income tax pursuant  
20 to s. 501(c)(3) of the Internal Revenue Code and receives more  
21 than 50 percent of its funding from gifts, grants, endowments,  
22 or federal or state contracts. The rate plan for subplan "D"  
23 shall be the same rate plan as the plan approved under ss.  
24 627.091-627.151 and each participant in subplan "D" shall pay  
25 the premium determined under such rate plan, plus a surcharge  
26 determined by the board to be sufficient to ensure that the  
27 plan does not compete with the voluntary market rate for any  
28 participant, but not to exceed 25 percent. However, the  
29 surcharge shall not exceed 10 percent for an organization that  
30 is exempt from federal income tax pursuant to s. 501(c)(3) of  
31 the Internal Revenue Code.

1           23. Provide for a depopulation program to reduce the  
2 number of insureds in subplan "D." If an employer insured  
3 through subplan "D" is offered coverage from a voluntary  
4 market carrier:

5           a. During the first 30 days of coverage under the  
6 subplan;

7           b. Before a policy is issued under the subplan;

8           c. By issuance of a policy upon expiration or  
9 cancellation of the policy under the subplan; or

10           d. By assumption of the subplan's obligation with  
11 respect to an in-force policy,

12  
13 that employer is no longer eligible for coverage through the  
14 plan. The premium for risks assumed by the voluntary market  
15 carrier must be the same premium plus, for the first 2 years,  
16 the surcharge as determined in sub-subparagraph 22.d. A  
17 premium under this subparagraph, including surcharge, is  
18 deemed approved and is not an excess premium for purposes of  
19 s. 627.171.

20           24. Require that policies issued under subplan "D" and  
21 applications for such policies must include a notice that the  
22 policy issued under subplan "D" could be replaced by a policy  
23 issued from a voluntary market carrier and that, if an offer  
24 of coverage is obtained from a voluntary market carrier, the  
25 policyholder is no longer eligible for coverage through  
26 subplan "D." The notice must also specify that acceptance of  
27 coverage under subplan "D" creates a conclusive presumption  
28 that the applicant or policyholder is aware of this potential.

29           (d)1. The plan must be funded through actuarially  
30 sound premiums charged to insureds of the plan.

31



1           2. The plan may issue assessable policies only to  
 2 those insureds in subplan "C" and subplan "D." Subject to  
 3 verification by the department, the board may levy assessments  
 4 against insureds in subplan "C" or subplan "D," on a pro rata  
 5 earned premium basis, to fund any deficits that exist in those  
 6 subplans. Assessments levied against subplan "C" participants  
 7 shall cover only the deficits attributable to subplan "C," and  
 8 assessments levied against subplan "D" participants shall  
 9 cover only the deficits attributable to subplan "D." In no  
 10 event may the plan levy assessments against any person or  
 11 entity, except as authorized by this paragraph. Those  
 12 assessable policies must be clearly identified as assessable  
 13 by containing, in contrasting color and in not less than  
 14 10-point type, the following statements: "This is an  
 15 assessable policy. If the plan is unable to pay its  
 16 obligations, policyholders will be required to contribute on a  
 17 pro rata earned premium basis the money necessary to meet any  
 18 assessment levied."

19           3. The plan may issue assessable policies with  
 20 differing terms and conditions to different groups within  
 21 subplans "C" and "D"~~the plan~~ when a reasonable basis exists  
 22 for the differentiation.

23           4. The plan may offer rating, dividend plans, and  
 24 other plans to encourage loss prevention programs.

25           Section 36. Paragraphs (c) and (e) of subsection (3)  
 26 of section 921.0022, Florida Statutes, are amended to read:

27           921.0022 Criminal Punishment Code; offense severity  
 28 ranking chart.--

29           (3) OFFENSE SEVERITY RANKING CHART

30 Florida	Felony	Description
31 Statute	Degree	

1			(c) LEVEL 3
2	316.193(2)(b)	3rd	Felony DUI, 3rd conviction.
3	316.1935(2)	3rd	Fleeing or attempting to elude
4			law enforcement officer in marked
5			patrol vehicle with siren and
6			lights activated.
7	319.30(4)	3rd	Possession by junkyard of motor
8			vehicle with identification
9			number plate removed.
10	319.33(1)(a)	3rd	Alter or forge any certificate of
11			title to a motor vehicle or
12			mobile home.
13	319.33(1)(c)	3rd	Procure or pass title on stolen
14			vehicle.
15	319.33(4)	3rd	With intent to defraud, possess,
16			sell, etc., a blank, forged, or
17			unlawfully obtained title or
18			registration.
19	327.35(2)(b)	3rd	Felony BUI.
20	328.05(2)	3rd	Possess, sell, or counterfeit
21			fictitious, stolen, or fraudulent
22			titles or bills of sale of
23			vessels.
24	328.07(4)	3rd	Manufacture, exchange, or possess
25			vessel with counterfeit or wrong
26			ID number.
27	376.302(5)	3rd	Fraud related to reimbursement
28			for cleanup expenses under the
29			Inland Protection Trust Fund.
30			
31			

1	<u>440.105(3)(b)</u>	<u>3rd</u>	<u>Receipt of fee or consideration</u>
2			<u>without approval by judge of</u>
3			<u>compensation claims.</u>
4	<u>440.1051(3)</u>	<u>3rd</u>	<u>False report of workers'</u>
5			<u>compensation fraud or retaliation</u>
6			<u>for making such a report.</u>
7	501.001(2)(b)	2nd	Tampers with a consumer product
8			or the container using materially
9			false/misleading information.
10	697.08	3rd	Equity skimming.
11	790.15(3)	3rd	Person directs another to
12			discharge firearm from a vehicle.
13	796.05(1)	3rd	Live on earnings of a prostitute.
14	806.10(1)	3rd	Maliciously injure, destroy, or
15			interfere with vehicles or
16			equipment used in firefighting.
17	806.10(2)	3rd	Interferes with or assaults
18			firefighter in performance of
19			duty.
20	810.09(2)(c)	3rd	Trespass on property other than
21			structure or conveyance armed
22			with firearm or dangerous weapon.
23	812.014(2)(c)2.	3rd	Grand theft; \$5,000 or more but
24			less than \$10,000.
25	812.0145(2)(c)	3rd	Theft from person 65 years of age
26			or older; \$300 or more but less
27			than \$10,000.
28	815.04(4)(b)	2nd	Computer offense devised to
29			defraud or obtain property.
30			
31			

1	817.034(4)(a)3.	3rd	Engages in scheme to defraud
2			(Florida Communications Fraud
3			Act), property valued at less
4			than \$20,000.
5	817.233	3rd	Burning to defraud insurer.
6	817.234(8)&(9)	3rd	Unlawful solicitation of persons
7			involved in motor vehicle
8			accidents.
9	817.234(11)(a)	3rd	Insurance fraud; property value
10			less than \$20,000.
11	817.505(4)	3rd	Patient brokering.
12	828.12(2)	3rd	Tortures any animal with intent
13			to inflict intense pain, serious
14			physical injury, or death.
15	831.28(2)(a)	3rd	Counterfeiting a payment
16			instrument with intent to defraud
17			or possessing a counterfeit
18			payment instrument.
19	831.29	2nd	Possession of instruments for
20			counterfeiting drivers' licenses
21			or identification cards.
22	838.021(3)(b)	3rd	Threatens unlawful harm to public
23			servant.
24	843.19	3rd	Injure, disable, or kill police
25			dog or horse.
26	870.01(2)	3rd	Riot; inciting or encouraging.
27			
28			
29			
30			
31			

1	893.13(1)(a)2.	3rd	Sell, manufacture, or deliver
2			cannabis (or other s.
3			893.03(1)(c), (2)(c)1., (2)(c)2.,
4			(2)(c)3., (2)(c)5., (2)(c)6.,
5			(2)(c)7., (2)(c)8., (2)(c)9.,
6			(3), or (4) drugs).
7	893.13(1)(d)2.	2nd	Sell, manufacture, or deliver s.
8			893.03(1)(c), (2)(c)1., (2)(c)2.,
9			(2)(c)3., (2)(c)5., (2)(c)6.,
10			(2)(c)7., (2)(c)8., (2)(c)9.,
11			(3), or (4) drugs within 200 feet
12			of university or public park.
13	893.13(1)(f)2.	3rd	Sell, manufacture, or deliver s.
14			893.03(1)(c), (2)(c)1., (2)(c)2.,
15			(2)(c)3., (2)(c)5., (2)(c)6.,
16			(2)(c)7., (2)(c)8., (2)(c)9.,
17			(3), or (4) drugs within 200 feet
18			of public housing facility.
19	893.13(6)(a)	3rd	Possession of any controlled
20			substance other than felony
21			possession of cannabis.
22	893.13(7)(a)8.	3rd	Withhold information from
23			practitioner regarding previous
24			receipt of or prescription for a
25			controlled substance.
26	893.13(7)(a)9.	3rd	Obtain or attempt to obtain
27			controlled substance by fraud,
28			forgery, misrepresentation, etc.
29	893.13(7)(a)10.	3rd	Affix false or forged label to
30			package of controlled substance.
31			

1	893.13(7)(a)11.	3rd	Furnish false or fraudulent
2			material information on any
3			document or record required by
4			chapter 893.
5	893.13(8)(a)1.	3rd	Knowingly assist a patient, other
6			person, or owner of an animal in
7			obtaining a controlled substance
8			through deceptive, untrue, or
9			fraudulent representations in or
10			related to the practitioner's
11			practice.
12	893.13(8)(a)2.	3rd	Employ a trick or scheme in the
13			practitioner's practice to assist
14			a patient, other person, or owner
15			of an animal in obtaining a
16			controlled substance.
17	893.13(8)(a)3.	3rd	Knowingly write a prescription
18			for a controlled substance for a
19			fictitious person.
20	893.13(8)(a)4.	3rd	Write a prescription for a
21			controlled substance for a
22			patient, other person, or an
23			animal if the sole purpose of
24			writing the prescription is a
25			monetary benefit for the
26			practitioner.
27	918.13(1)(a)	3rd	Alter, destroy, or conceal
28			investigation evidence.
29	944.47(1)(a)1.-2.	3rd	Introduce contraband to
30			correctional facility.
31			

1	944.47(1)(c)	2nd	Possess contraband while upon the
2			grounds of a correctional
3			institution.
4	985.3141	3rd	Escapes from a juvenile facility
5			(secure detention or residential
6			commitment facility).
7			(e) LEVEL 5
8	316.027(1)(a)	3rd	Accidents involving personal
9			injuries, failure to stop;
10			leaving scene.
11	316.1935(4)	2nd	Aggravated fleeing or eluding.
12	322.34(6)	3rd	Careless operation of motor
13			vehicle with suspended license,
14			resulting in death or serious
15			bodily injury.
16	327.30(5)	3rd	Vessel accidents involving
17			personal injury; leaving scene.
18	381.0041(11)(b)	3rd	Donate blood, plasma, or organs
19			knowing HIV positive.
20			
21	<u>440.10(1)(g)</u>	<u>2nd</u>	<u>Failure to obtain workers'</u>
22			<u>compensation coverage.</u>
23	<u>440.105(5)</u>	<u>2nd</u>	<u>Unlawful solicitation for the</u>
24			<u>purpose of making workers'</u>
25			<u>compensation claims.</u>
26	<u>440.381(2)</u>	<u>2nd</u>	<u>Submission of false, misleading,</u>
27			<u>or incomplete information with</u>
28			<u>the purpose of avoiding or</u>
29			<u>reducing workers' compensation</u>
30			<u>premiums.</u>
31	790.01(2)	3rd	Carrying a concealed firearm.

1	790.162	2nd	Threat to throw or discharge
2			destructive device.
3	790.163(1)	2nd	False report of deadly explosive
4			or weapon of mass destruction.
5	790.221(1)	2nd	Possession of short-barreled
6			shotgun or machine gun.
7	790.23	2nd	Felons in possession of firearms
8			or electronic weapons or devices.
9	800.04(6)(c)	3rd	Lewd or lascivious conduct;
10			offender less than 18 years.
11	800.04(7)(c)	2nd	Lewd or lascivious exhibition;
12			offender 18 years or older.
13	806.111(1)	3rd	Possess, manufacture, or dispense
14			fire bomb with intent to damage
15			any structure or property.
16	812.0145(2)(b)	2nd	Theft from person 65 years of age
17			or older; \$10,000 or more but
18			less than \$50,000.
19	812.015(8)	3rd	Retail theft; property stolen is
20			valued at \$300 or more and one or
21			more specified acts.
22	812.019(1)	2nd	Stolen property; dealing in or
23			trafficking in.
24	812.131(2)(b)	3rd	Robbery by sudden snatching.
25	812.16(2)	3rd	Owning, operating, or conducting
26			a chop shop.
27	817.034(4)(a)2.	2nd	Communications fraud, value
28			\$20,000 to \$50,000.
29	817.234(11)(b)	2nd	Insurance fraud; property value
30			\$20,000 or more but less than
31			\$100,000.



1	817.568(2)(b)	2nd	Fraudulent use of personal
2			identification information; value
3			of benefit, services received,
4			payment avoided, or amount of
5			injury or fraud, \$75,000 or more.
6	817.625(2)(b)	2nd	Second or subsequent fraudulent
7			use of scanning device or
8			reencoder.
9	825.1025(4)	3rd	Lewd or lascivious exhibition in
10			the presence of an elderly person
11			or disabled adult.
12	827.071(4)	2nd	Possess with intent to promote
13			any photographic material, motion
14			picture, etc., which includes
15			sexual conduct by a child.
16	839.13(2)(b)	2nd	Falsifying records of an
17			individual in the care and
18			custody of a state agency
19			involving great bodily harm or
20			death.
21	843.01	3rd	Resist officer with violence to
22			person; resist arrest with
23			violence.
24	874.05(2)	2nd	Encouraging or recruiting another
25			to join a criminal street gang;
26			second or subsequent offense.
27	893.13(1)(a)1.	2nd	Sell, manufacture, or deliver
28			cocaine (or other s.
29			893.03(1)(a), (1)(b), (1)(d),
30			(2)(a), (2)(b), or (2)(c)4.
31			drugs).

1	893.13(1)(c)2.	2nd	Sell, manufacture, or deliver
2			cannabis (or other s.
3			893.03(1)(c), (2)(c)1., (2)(c)2.,
4			(2)(c)3., (2)(c)5., (2)(c)6.,
5			(2)(c)7., (2)(c)8., (2)(c)9.,
6			(3), or (4) drugs) within 1,000
7			feet of a child care facility or
8			school.
9	893.13(1)(d)1.	1st	Sell, manufacture, or deliver
10			cocaine (or other s.
11			893.03(1)(a), (1)(b), (1)(d),
12			(2)(a), (2)(b), or (2)(c)4.
13			drugs) within 200 feet of
14			university or public park.
15	893.13(1)(e)2.	2nd	Sell, manufacture, or deliver
16			cannabis or other drug prohibited
17			under s. 893.03(1)(c), (2)(c)1.,
18			(2)(c)2., (2)(c)3., (2)(c)5.,
19			(2)(c)6., (2)(c)7., (2)(c)8.,
20			(2)(c)9., (3), or (4) within
21			1,000 feet of property used for
22			religious services or a specified
23			business site.
24	893.13(1)(f)1.	1st	Sell, manufacture, or deliver
25			cocaine (or other s.
26			893.03(1)(a), (1)(b), (1)(d), or
27			(2)(a), (2)(b), or (2)(c)4.
28			drugs) within 200 feet of public
29			housing facility.
30			
31			

1 893.13(4)(b) 2nd Deliver to minor cannabis (or  
2 other s. 893.03(1)(c), (2)(c)1.,  
3 (2)(c)2., (2)(c)3., (2)(c)5.,  
4 (2)(c)6., (2)(c)7., (2)(c)8.,  
5 (2)(c)9., (3), or (4) drugs).

6 Section 37. Report to the Legislature regarding  
7 outstanding enforcement issues.--The Department of Financial  
8 Services shall, no later than January 1, 2004, provide a  
9 report to the President of the Senate, the Speaker of the  
10 House of Representatives, the minority leaders of the Senate  
11 and the House of Representatives, and the chairs of the  
12 standing committees of the Senate and the House of  
13 Representatives having jurisdiction over insurance issues,  
14 containing the following information:

15 (1) Any provision of chapter 440, Florida Statutes,  
16 relating to workers' compensation carrier compliance and  
17 enforcement, that the department finds it is unable to  
18 enforce.

19 (2) Any administrative rule relating to workers'  
20 compensation carrier compliance and enforcement that the  
21 department finds it is unable to enforce.

22 (3) Any other impediment to enforcement of chapter  
23 440, Florida Statutes, resulting from the transfer of  
24 activities from the former Department of Labor and Employment  
25 Security to the department or the reorganization of the former  
26 Department of Insurance into the department.

27 Section 38. Subsection (2) of section 946.523, Florida  
28 Statutes, is amended to read:

29 946.523 Prison industry enhancement (PIE) programs.--

30 (2) Notwithstanding any other law to the contrary,  
31 including s. 440.15(8)(~~9~~), private sector employers shall

1 provide workers' compensation coverage to inmates who  
2 participate in prison industry enhancement (PIE) programs  
3 under subsection (1). However, inmates are not entitled to  
4 unemployment compensation.

5 Section 39. Paragraph (c) of subsection (5) of section  
6 985.315, Florida Statutes, is amended to read:

7 985.315 Educational/technical and vocational  
8 work-related programs.--

9 (5)

10 (c) Notwithstanding any other law to the contrary,  
11 including s. 440.15~~(8)(9)~~, private sector employers shall  
12 provide juveniles participating in juvenile work programs  
13 under paragraph (b) with workers' compensation coverage, and  
14 juveniles shall be entitled to the benefits of such coverage.  
15 Nothing in this subsection shall be construed to allow  
16 juveniles to participate in unemployment compensation  
17 benefits.

18 Section 40. (1) There is established a Joint Select  
19 Committee on Workers' Compensation Rating Reform. The  
20 committee shall study the merits of requiring each workers'  
21 compensation insurer to individually file its expense and  
22 profit portion of a rate filing, while permitting each insurer  
23 to use a lost cost filing made by a licensed rating  
24 organization. The committee shall also study options for the  
25 current prior approval system for workers compensation rate  
26 filings, including, but not limited to, rate filing procedures  
27 that would promote greater competition and would encourage  
28 insurers to write workers' compensation coverage in the state  
29 while protecting employers from rates that are excessive,  
30 inadequate, or unfairly discriminatory.

31

1           (2) The committee shall be composed of three Senators  
2 appointed by the President of the Senate and three  
3 Representatives appointed by the Speaker of the House of  
4 Representatives. The appointed members of the committee shall  
5 elect a chair and vice chair. The Department of Financial  
6 Services shall provide information and assistance as requested  
7 by the committee.

8           (3) The committee shall issue its final report and  
9 recommendations to the President of the Senate and the Speaker  
10 of the House of Representatives by December 1, 2003. The  
11 committee shall terminate on December 1, 2003.

12           Section 41. The board of governors of the joint  
13 underwriting plan for workers' compensation insurance created  
14 by section 627.311(4), Florida Statutes, shall, by January 1,  
15 2005, submit a report to the President of the Senate, the  
16 Speaker of the House of Representatives, the minority party  
17 leaders of the Senate and the House of Representatives, and  
18 the chairs of the standing committees of the Senate and the  
19 House of Representatives having jurisdiction over matters  
20 relating to workers' compensation. The report shall include  
21 the board's findings and recommendations on the following  
22 issues:

23           (1) The number of policies and the aggregate premium  
24 of the workers' compensation joint underwriting plan, before  
25 and after enactment of this act, and projections for future  
26 policy and premium growth.

27           (2) Increases or decreases in availability of workers'  
28 compensation coverage in the voluntary market and the  
29 effectiveness of this act in improving the availability of  
30 workers' compensation coverage in the state.

31

1           (3) The board's efforts to depopulate the plan and the  
2 willingness of insurers in the voluntary market to avail  
3 themselves of depopulation incentives.

4           (4) Further actions that could be taken by the  
5 Legislature to improve availability of workers' compensation  
6 coverage in the voluntary and residual markets.

7           (5) Actions that the board has taken to restructure  
8 the joint underwriting plan and recommendations for  
9 legislative action to restructure the plan.

10           (6) Projected surpluses or deficits and possible means  
11 of providing funding to ensure the continued solvency of the  
12 plan.

13           (7) An independent actuarial review of all rates under  
14 the plan. The costs of the independent actuarial review shall  
15 be paid from the Workers' Compensation Administration Trust  
16 Fund, pursuant to a budget amendment approved by the  
17 Legislative Budget Commission. The board shall submit a plan  
18 for such review to the Legislative Budget Commission by  
19 October 1, 2003.

20           (8) Such other issues as the board determines are  
21 worthy of the Legislature's consideration.

22           Section 42. Subsections (1) and (2) of section  
23 443.1715, Florida Statutes, are amended to read:

24           443.1715 Disclosure of information; confidentiality.--

25           (1) RECORDS AND REPORTS.--Information revealing the  
26 employing unit's or individual's identity obtained from the  
27 employing unit or from any individual pursuant to the  
28 administration of this chapter, and any determination  
29 revealing such information, except to the extent necessary for  
30 the proper presentation of a claim or upon written  
31 authorization of the claimant who has a workers' compensation

1 claim pending or is receiving compensation benefits, must be  
2 held confidential and exempt from the provisions of s.  
3 119.07(1) and s. 24(a), Art. I of the State Constitution. Such  
4 information may be made available only to public employees in  
5 the performance of their public duties, including employees of  
6 the Department of Education in obtaining information for the  
7 Florida Education and Training Placement Information Program  
8 and the Office of Tourism, Trade, and Economic Development in  
9 its administration of the qualified defense contractor tax  
10 refund program authorized by s. 288.1045 and the qualified  
11 target industry tax refund program authorized by s. 288.106.  
12 Except as otherwise provided by law, public employees  
13 receiving such information must retain the confidentiality of  
14 such information. Any claimant, or the claimant's legal  
15 representative, at a hearing before an appeals referee or the  
16 commission shall be supplied with information from such  
17 records to the extent necessary for the proper presentation of  
18 her or his claim. Any employee or member of the commission or  
19 any employee of the division, or any other person receiving  
20 confidential information, who violates any provision of this  
21 subsection commits a misdemeanor of the second degree,  
22 punishable as provided in s. 775.082 or s. 775.083. However,  
23 the division may furnish to any employer copies of any report  
24 previously submitted by such employer, upon the request of  
25 such employer, and may furnish to any claimant copies of any  
26 report previously submitted by such claimant, upon the request  
27 of such claimant, and the division is authorized to charge  
28 therefor such reasonable fee as the division may by rule  
29 prescribe not to exceed the actual reasonable cost of the  
30 preparation of such copies. Fees received by the division for  
31

1 copies as provided in this subsection must be deposited to the  
2 credit of the Employment Security Administration Trust Fund.

3 (2) DISCLOSURE OF INFORMATION.--

4 (a) Subject to such restrictions as the division  
5 prescribes by rule, information declared confidential under  
6 this section may be made available to any agency of this or  
7 any other state, or any federal agency, charged with the  
8 administration of any unemployment compensation law or the  
9 maintenance of a system of public employment offices, or the  
10 Bureau of Internal Revenue of the United States Department of  
11 the Treasury, or the Florida Department of Revenue and  
12 information obtained in connection with the administration of  
13 the employment service may be made available to persons or  
14 agencies for purposes appropriate to the operation of a public  
15 employment service or a job-preparatory or career education or  
16 training program. The division shall on a quarterly basis,  
17 furnish the National Directory of New Hires with information  
18 concerning the wages and unemployment compensation paid to  
19 individuals, by such dates, in such format and containing such  
20 information as the Secretary of Health and Human Services  
21 shall specify in regulations. Upon request therefor, the  
22 division shall furnish any agency of the United States charged  
23 with the administration of public works or assistance through  
24 public employment, and may furnish to any state agency  
25 similarly charged, the name, address, ordinary occupation, and  
26 employment status of each recipient of benefits and such  
27 recipient's rights to further benefits under this chapter.  
28 Except as otherwise provided by law, the receiving agency must  
29 retain the confidentiality of such information as provided in  
30 this section. The division may request the Comptroller of the  
31 Currency of the United States to cause an examination of the



1 correctness of any return or report of any national banking  
2 association rendered pursuant to the provisions of this  
3 chapter and may in connection with such request transmit any  
4 such report or return to the Comptroller of the Currency of  
5 the United States as provided in s. 3305(c) of the federal  
6 Internal Revenue Code.

7 (b)1. The employer or the employer's workers'  
8 compensation carrier against whom a claim for benefits under  
9 chapter 440 has been made, or a representative of either, may  
10 request from the division records of wages of the employee  
11 reported to the division by any employer for the quarter that  
12 includes the date of the accident that is the subject of such  
13 claim and for subsequent quarters. The request must be made  
14 with the authorization or consent of the employee or any  
15 employer who paid wages to the employee subsequent to the date  
16 of the accident.

17 2. The employer or carrier shall make the request on a  
18 form prescribed by rule for such purpose by the division. Such  
19 form shall contain a certification by the requesting party  
20 that it is a party entitled to the information requested as  
21 authorized by this paragraph.

22 3. The division shall provide the most current  
23 information readily available within 15 days after receiving  
24 the request.

25 Section 43. Subsection (9) of section 626.989, Florida  
26 Statutes, is amended to read:

27 626.989 Investigation by department or Division of  
28 Insurance Fraud; compliance; immunity; confidential  
29 information; reports to division; division investigator's  
30 power of arrest.--

31

1           (9) In recognition of the complementary roles of  
2 investigating instances of workers' compensation fraud and  
3 enforcing compliance with the workers' compensation coverage  
4 requirements under chapter 440, the Department of Financial  
5 Services shall ~~Insurance is directed to~~ prepare and submit a  
6 joint performance report to the President of the Senate and  
7 the Speaker of the House of Representatives by November 1,  
8 2003, and then by January 1 of each year ~~November 1 every 3~~  
9 ~~years thereafter, describing the results obtained in achieving~~  
10 ~~compliance with the workers' compensation coverage~~  
11 ~~requirements and reducing the incidence of workers'~~  
12 ~~compensation fraud.~~ The annual report must include, but need  
13 not be limited to:

14           (a) The total number of initial referrals received,  
15 cases opened, cases presented for prosecution, cases closed,  
16 and convictions resulting from cases presented for prosecution  
17 by the Bureau of Workers' Compensation Insurance Fraud by type  
18 of workers' compensation fraud and circuit.

19           (b) The number of referrals received from insurers and  
20 the Division of Workers' Compensation and the outcome of those  
21 referrals.

22           (c) The number of investigations undertaken by the  
23 office which were not the result of a referral from an insurer  
24 or the Division of Workers' Compensation.

25           (d) The number of investigations that resulted in a  
26 referral to a regulatory agency and the disposition of those  
27 referrals.

28           (e) The number and reasons provided by local  
29 prosecutors or the statewide prosecutor for declining  
30 prosecution of a case presented by the office by circuit.

31

1           (f) The total number of employees assigned to the  
2 office and the Division of Workers' Compliance unit delineated  
3 by location of staff assigned and the number and location of  
4 employees assigned to the office who were assigned to work  
5 other types of fraud cases.

6           (g) The average caseload and turnaround time by type  
7 of case for each investigator and division compliance  
8 employee.

9           (h) The training provided during the year to workers'  
10 compensation fraud investigators and the division's compliance  
11 employees.

12           Section 44. Section 626.9891, Florida Statutes, is  
13 amended to read:

14           626.9891 Insurer anti-fraud investigative units;  
15 reporting requirements; penalties for noncompliance.--

16           (1) Every insurer admitted to do business in this  
17 state who in the previous calendar year, at any time during  
18 that year, had \$10 million or more in direct premiums written  
19 shall:

20           (a) Establish and maintain a unit or division within  
21 the company to investigate possible fraudulent claims by  
22 insureds or by persons making claims for services or repairs  
23 against policies held by insureds; or

24           (b) Contract with others to investigate possible  
25 fraudulent claims for services or repairs against policies  
26 held by insureds.

27  
28 An insurer subject to this subsection shall file with the  
29 Division of Insurance Fraud of the department on or before  
30 July 1, 1996, a detailed description of the unit or division  
31

1 established pursuant to paragraph (a) or a copy of the  
2 contract and related documents required by paragraph (b).

3 (2) Every insurer admitted to do business in this  
4 state, which in the previous calendar year had less than \$10  
5 million in direct premiums written, must adopt an anti-fraud  
6 plan and file it with the Division of Insurance Fraud of the  
7 department on or before July 1, 1996. An insurer may, in lieu  
8 of adopting and filing an anti-fraud plan, comply with the  
9 provisions of subsection (1).

10 (3) Each insurers anti-fraud plans shall include:

11 (a) A description of the insurer's procedures for  
12 detecting and investigating possible fraudulent insurance  
13 acts;

14 (b) A description of the insurer's procedures for the  
15 mandatory reporting of possible fraudulent insurance acts to  
16 the Division of Insurance Fraud of the department;

17 (c) A description of the insurer's plan for anti-fraud  
18 education and training of its claims adjusters or other  
19 personnel; and

20 (d) A written description or chart outlining the  
21 organizational arrangement of the insurer's anti-fraud  
22 personnel who are responsible for the investigation and  
23 reporting of possible fraudulent insurance acts.

24 (4) Any insurer who obtains a certificate of authority  
25 after July 1, 1995, shall have 18 months in which to comply  
26 with the requirements of this section.

27 (5) For purposes of this section, the term "unit or  
28 division" includes the assignment of fraud investigation to  
29 employees whose principal responsibilities are the  
30 investigation and disposition of claims. If an insurer creates  
31 a distinct unit or division, hires additional employees, or

1 contracts with another entity to fulfill the requirements of  
2 this section, the additional cost incurred must be included as  
3 an administrative expense for ratemaking purposes.

4 (6) Each insurer writing workers' compensation  
5 insurance shall report to the department, on or before August  
6 1 of each year, on its experience in implementing and  
7 maintaining an anti-fraud investigative unit or an anti-fraud  
8 plan. The report must include, at a minimum:

9 (a) The dollar amount of recoveries and losses  
10 attributable to workers' compensation fraud delineated by the  
11 type of fraud: claimant, employer, provider, agent, or other.

12 (b) The number of referrals to the Bureau of Workers'  
13 Compensation Fraud for the prior year.

14 (c) A description of the organization of the  
15 anti-fraud investigative unit, if applicable, including the  
16 position titles and descriptions of staffing.

17 (d) The rationale for the level of staffing and  
18 resources being provided for the anti-fraud investigative  
19 unit, which may include objective criteria such as number of  
20 policies written, number of claims received on an annual  
21 basis, volume of suspected fraudulent claims currently being  
22 detected, other factors, and an assessment of optimal caseload  
23 that can be handled by an investigator on an annual basis.

24 (e) The in-service education and training provided to  
25 underwriting and claims personnel to assist in identifying and  
26 evaluating instances of suspected fraudulent activity in  
27 underwriting or claims activities.

28 (f) A description of a public awareness program  
29 focused on the costs and frequency of insurance fraud and  
30 methods by which the public can prevent it.

31

1           (7) If an insurer fails to submit a final anti-fraud  
2 plan or otherwise fails to submit a plan, fails to implement  
3 the provisions of a plan or an anti-fraud investigative unit,  
4 or otherwise refuses to comply with the provisions of this  
5 section, the department may:

6           (a) Impose an administrative fine of not more than  
7 \$2,000 per day for such failure by an insurer, until the  
8 department deems the insurer to be in compliance;

9           (b) Impose upon the insurer a fraud detection and  
10 prevention plan that is deemed to be appropriate by the  
11 department and that must be implemented by the insurer; or

12           (c) Impose the provisions of both paragraphs (a) and  
13 (b).

14           (8) The department may adopt rules to administer this  
15 section.

16           Section 45. Section 440.1925, Florida Statutes, is  
17 repealed.

18           Section 46. Paragraph (h) of subsection (2) of section  
19 112.19, Florida Statutes, is amended to read:

20           112.19 Law enforcement, correctional, and correctional  
21 probation officers; death benefits.--

22           (2)

23           (h)1. Any employer who employs a full-time law  
24 enforcement, correctional, or correctional probation officer  
25 who, on or after January 1, 1995, suffers a catastrophic  
26 injury, as defined in s. 440.02, Florida Statutes 2002, in the  
27 line of duty shall pay the entire premium of the employer's  
28 health insurance plan for the injured employee, the injured  
29 employee's spouse, and for each dependent child of the injured  
30 employee until the child reaches the age of majority or until  
31 the end of the calendar year in which the child reaches the

1 age of 25 if the child continues to be dependent for support,  
2 or the child is a full-time or part-time student and is  
3 dependent for support. The term "health insurance plan" does  
4 not include supplemental benefits that are not part of the  
5 basic group health insurance plan. If the injured employee  
6 subsequently dies, the employer shall continue to pay the  
7 entire health insurance premium for the surviving spouse until  
8 remarried, and for the dependent children, under the  
9 conditions outlined in this paragraph. However:

10 a. Health insurance benefits payable from any other  
11 source shall reduce benefits payable under this section.

12 b. It is unlawful for a person to willfully and  
13 knowingly make, or cause to be made, or to assist, conspire  
14 with, or urge another to make, or cause to be made, any false,  
15 fraudulent, or misleading oral or written statement to obtain  
16 health insurance coverage as provided under this paragraph. A  
17 person who violates this sub-subparagraph commits a  
18 misdemeanor of the first degree, punishable as provided in s.  
19 775.082 or s. 775.083.

20 c. In addition to any applicable criminal penalty,  
21 upon conviction for a violation as described in  
22 sub-subparagraph b., a law enforcement, correctional, or  
23 correctional probation officer or other beneficiary who  
24 receives or seeks to receive health insurance benefits under  
25 this paragraph shall forfeit the right to receive such health  
26 insurance benefits, and shall reimburse the employer for all  
27 benefits paid due to the fraud or other prohibited activity.  
28 For purposes of this sub-subparagraph, "conviction" means a  
29 determination of guilt that is the result of a plea or trial,  
30 regardless of whether adjudication is withheld.

31

1           2. In order for the officer, spouse, and dependent  
2 children to be eligible for such insurance coverage, the  
3 injury must have occurred as the result of the officer's  
4 response to fresh pursuit, the officer's response to what is  
5 reasonably believed to be an emergency, or an unlawful act  
6 perpetrated by another. Except as otherwise provided herein,  
7 nothing in this paragraph shall be construed to limit health  
8 insurance coverage for which the officer, spouse, or dependent  
9 children may otherwise be eligible, except that a person who  
10 qualifies under this section shall not be eligible for the  
11 health insurance subsidy provided under chapter 121, chapter  
12 175, or chapter 185.

13           Section 47. Paragraph (g) of subsection (2) of section  
14 112.191, Florida Statutes, is amended to read:

15           112.191 Firefighters; death benefits.--

16           (2)

17           (g)1. Any employer who employs a full-time firefighter  
18 who, on or after January 1, 1995, suffers a catastrophic  
19 injury, as defined in s. 440.02, Florida Statutes 2002, in the  
20 line of duty shall pay the entire premium of the employer's  
21 health insurance plan for the injured employee, the injured  
22 employee's spouse, and for each dependent child of the injured  
23 employee until the child reaches the age of majority or until  
24 the end of the calendar year in which the child reaches the  
25 age of 25 if the child continues to be dependent for support,  
26 or the child is a full-time or part-time student and is  
27 dependent for support. The term "health insurance plan" does  
28 not include supplemental benefits that are not part of the  
29 basic group health insurance plan. If the injured employee  
30 subsequently dies, the employer shall continue to pay the  
31 entire health insurance premium for the surviving spouse until



1 remarried, and for the dependent children, under the  
2 conditions outlined in this paragraph. However:

3       a. Health insurance benefits payable from any other  
4 source shall reduce benefits payable under this section.

5       b. It is unlawful for a person to willfully and  
6 knowingly make, or cause to be made, or to assist, conspire  
7 with, or urge another to make, or cause to be made, any false,  
8 fraudulent, or misleading oral or written statement to obtain  
9 health insurance coverage as provided under this paragraph. A  
10 person who violates this sub-subparagraph commits a  
11 misdemeanor of the first degree, punishable as provided in s.  
12 775.082 or s. 775.083.

13       c. In addition to any applicable criminal penalty,  
14 upon conviction for a violation as described in  
15 sub-subparagraph b., a firefighter or other beneficiary who  
16 receives or seeks to receive health insurance benefits under  
17 this paragraph shall forfeit the right to receive such health  
18 insurance benefits, and shall reimburse the employer for all  
19 benefits paid due to the fraud or other prohibited activity.  
20 For purposes of this sub-subparagraph, "conviction" means a  
21 determination of guilt that is the result of a plea or trial,  
22 regardless of whether adjudication is withheld.

23       2. In order for the firefighter, spouse, and dependent  
24 children to be eligible for such insurance coverage, the  
25 injury must have occurred as the result of the firefighter's  
26 response to what is reasonably believed to be an emergency  
27 involving the protection of life or property, or an unlawful  
28 act perpetrated by another. Except as otherwise provided  
29 herein, nothing in this paragraph shall be construed to limit  
30 health insurance coverage for which the firefighter, spouse,  
31 or dependent children may otherwise be eligible, except that a

1 person who qualifies for benefits under this section shall not  
2 be eligible for the health insurance subsidy provided under  
3 chapter 121, chapter 175, or chapter 185.

4           Section 48. The amendments to sections 440.02 and  
5 440.15, Florida Statutes, which are made by this act shall not  
6 be construed to affect any determination of disability under  
7 section 112.18, section 112.181, or section 112.19, Florida  
8 Statutes.

9           Section 49. If any law amended by this act was also  
10 amended by a law enacted at the 2003 Regular Session of the  
11 Legislature, such laws shall be construed as if they had been  
12 enacted at the same session of the Legislature, and full  
13 effect shall be given to each if possible.

14           Section 50. Except as otherwise provided herein, this  
15 act shall take effect October 1, 2003.

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