

April 30, 2010

The Conference Committee Amendment for HB 5603, relating to the Department of Financial Services (department), amends statutes related to risk management and workers' compensation to achieve a number of efficiencies and cost savings measures. Specifically, the amendment provides for the following:

- Requires all state agencies and state universities with more than 6,000 employees that are provided insurance coverage from the Division of Risk Management to establish and maintain a return-to-work program for injured state workers. Presently, each of the impacted agencies and state universities has some form of a return-to-work program or are in the process of beginning or implementing such a program. The General Appropriations Act includes \$298,478 and three positions to implement the return-to-work program with the goal of reducing workers' compensation program costs.
- Requires the Division of Risk Management to utilize agency loss prevention results in addition to claims history as criteria for calculating state agency risk management premiums.
- Requires the Division of Risk Management to evaluate each agency's risk management programs at least once every five years and to produce reports recommending improvements. In addition, the amendment outlines a process for each agency's response to the division's evaluation and recommendations.
- Requires that unencumbered and undisbursed funds transferred from the Workers' Compensation Administration Trust Fund revert back to the fund each year.
- Revises requirements for determining the amount of reimbursement for repackaged or relabeled prescription medications for workers' compensation claimants regardless of the location or provider.
- Revises the responsibilities of the Division of Consumer Services within the department to reflect organizational changes related to the Office of Insurance Regulation and the Office of Financial Regulation.