Amend **CSSB 5** by adding a new Section ____ on page ____ of the bill and renumber the remaining sections as appropriate:

Subchapter A, Chapter 410, Labor Code, is amended by adding Section 410.007 to read as follows:

Section 410.007. RECOGNITION OF ALTERNATIVE AGREEMENTS. (a) Notwithstanding any other provision of this subtitle and except as provided by Subsections (c) and (d), if an agreement entered into pursuant to 21 U.S.C. Section 151 et seq., 45 U.S.C. Section 151 et. seq. or Local Government Code Chapter 174, between a certified self insurer, an individually insured employer or an employer that is insured through an employer association engaged in construction, construction maintenance, or construction inspection, and a labor organization that is the recognized or certified exclusive representative for employees employed by any such entity who receive workers compensation coverage is filed with the commission, a mutually agreed upon provision of the agreement is valid and binding upon the parties to the agreement if it does any or all of the following:

(1) establishes an alternative dispute resolution system which may include, but is not limited to, provisions for conciliation, mediation, and arbitration that supplement, modify or replace the provisions of Subchapter c;

(2) adopts an agreed-upon list of health care providers of medical treatment as the exclusive source of all medical treatment provided under this subtitle.

(3) adopts a limited list of physicians to conduct independent medical examinations that the parties may agree is the exclusive source of independent medical examiners under this subtitle;

(4) adopts a case management, patient advocate, utilization review or similar program or combination of programs intended to improve the quality and control the cost of medical and related treatment and care;

(5) adopts a light-duty, modified-job, or return-to-work program;

(6) adopts a vocational rehabilitation or retraining program that uses an agreed-upon list of providers of

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rehabilitation services as the exclusive source of providers of rehabilitation services under this article.

(b) An agreement described by this section may provide that arbitration held pursuant to the agreement:

(1) is binding on the parties; or

(2) is subject to review in the same manner as a final decision issued by a hearing officer under Subchapter D.

(c) This section may not be construed to permit an agreement that:

(1) diminishes an employee's entitlement to compensation payments for total or partial disability, vocational rehabilitation, or medical treatment that are fully paid by the employee's employer or as otherwise provided by this subtitle; or

(2) denies an employee the right to legal representation at each stage of the alternative dispute resolution process under this chapter.

(d) Any portion of an agreement that violates Subsection (c) is null and void.

(e) The Commissioner shall promulgate rules necessary for the implementation of this Section.

(f) By September 1, 2006, and annually thereafter, the commissioner shall prepare and report to the Legislature that a report which is to be based upon aggregate data and shall include the following:

(1) Person hours and payroll covered by agreements filed.

(2) The number of claims filed.

(3) The average cost per claim shall be reported by cost components whenever practicable.

(4) The number of litigated claims, including the number of claims submitted to mediation, arbitration, and district court.

(5) The number of contested claims resolved prior to arbitration.

(6) The projected incurred costs and actual costs of claims.

(7) Safety history.

(8) The number of workers participating in vocational rehabilitation.

(9) The number of workers participating in light-duty programs. The commissioner shall have the authority to require those employers and groups of employers listed in subdivision (c) to provide the data listed above.