

## **BILL ANALYSIS**

S.B. 1814  
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Business & Industry  
Committee Report (Unamended)

### **BACKGROUND AND PURPOSE**

The 79th Legislature, Regular Session, 2005, enacted H.B. 7 to create the return-to-work pilot program for small employers, which requires the commissioner of workers' compensation to establish a pilot program designed to assist small employers in making necessary workplace modifications to facilitate an injured employee's return to work after a work-related injury. Employers participating in the pilot program may be reimbursed up to \$2,500 annually for expenses incurred by making workplace modifications in order to accommodate an injured employee's physical restrictions and return the employee to full or modified duty. The 80th Legislature, Regular Session, 2007, amended provisions regarding that pilot program to authorize the employer to submit a proposal describing the required workplace modifications and to request and receive a guarantee of reimbursement of expenses incurred up to the \$2,500 limit. The pilot program expires September 1, 2009.

S.B. 1814 changes the return-to-work pilot program for small employers to the return-to-work reimbursement program and removes the expiration date of the pilot program. The bill requires an insurance carrier to provide an employer with return-to-work coordination services on an ongoing basis and requires the insurance carrier to notify the employer of the availability of the return-to-work reimbursement program.

### **RULEMAKING AUTHORITY**

It is the committee's opinion that rulemaking authority is expressly granted to the commissioner of workers' compensation in SECTION 4 of this bill.

### **ANALYSIS**

S.B. 1814 amends the Labor Code to change the return-to-work pilot program for small employers to the return-to-work reimbursement program for employers and removes the expiration date of the pilot program. The bill authorizes the commissioner of workers' compensation by rule to expand eligibility to participate in the program to types of employers who are not employers who have workers' compensation insurance coverage and who employed at least two but not more than 50 employees on each business day during the preceding calendar year. The bill increases from \$2,500 to \$5,000 the maximum amount of reimbursement for which an employer is eligible. The bill authorizes the division of workers' compensation of the Texas Department of Insurance, if determined to be a public purpose by the commissioner and in accordance with rules adopted by the commissioner, to provide an employer participating in an optional preauthorization plan for workplace modifications with an advance of up to \$5,000. The bill requires the commissioner to adopt rules as necessary to implement provisions relating to the program.

S.B. 1814 specifies that the return-to-work coordination services an insurance carrier must provide to an employer as necessary to facilitate an injured employee's return to employment must be provided on an ongoing basis and requires that such services be provided on receipt of notice that an injured employee is eligible to receive temporary income benefits. The bill

requires the insurance carrier to notify the employer of the availability of the return-to-work reimbursement program, rather than of return-to-work coordination services. The bill removes a provision that requires insurance carriers and the division, in offering return-to-work coordination services, to target employers without return-to-work programs and to focus return-to-work efforts on workers who begin to receive temporary income benefits. The bill modifies the licensing requirement, from licensed to practice in Texas to appropriately certified, for a case manager who performs the evaluations of a compensable injury in which an injured employee sustains an injury that could potentially result in lost time from employment.

S.B. 1814 clarifies the definition of "eligible employer" to conform to the bill's provisions, and defines "program."

#### **EFFECTIVE DATE**

On passage, or, if the act does not receive the necessary vote, the act takes effect September 1, 2009.