

BILL ANALYSIS

Senate Research Center
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S.B. 809
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AUTHOR'S / SPONSOR'S STATEMENT OF INTENT

There is a conflict in current law relating to timeframes within which administrative decisions must be appealed to a district court.

H.B. 724, 80th Legislature, Regular Session, 2007, reintroduced an administrative hearing process to resolve workers' compensation disputes regarding medical benefits; however, the new legislation did not adequately provide for a timeframe to appeal administrative decisions regarding medical benefits to district court. As such, in 2008, the Austin Court of Appeals in *Hartford Inc. Co v. Crain* held that parties had 40 days, rather than 30 days as established in Chapter 2001, Government Code, to appeal an administrative medical dispute decision into a district court. The court of appeals held that the 40-day judicial review deadline for challenging an appeals panel decision, expressly stated in Section 410.252, Labor Code, applies to medical disputes, not just indemnity disputes, and trumps the 30-day time frame set out in the Government Code.

Subsequent to the *Hartford* decision, H.B. 4545, 81st Legislature, Regular Session, 2009, amended the timeframe in Section 410.252, Labor Code, to appeal income benefit administrative decisions from 40 to 45 days to give injured employees more time to find attorney representation, in hopes that default judgments against injured employees who could not find legal representation would decrease. Unfortunately, H.B. 4545 failed to address or offer a codified timeframe for parties appealing medical disputes in district court.

S.B. 809 amends Chapter 413 (Medical Review), Labor Code, to give a party the same timeframe to appeal an administrative medical dispute decision as an indemnity dispute decision. Specifically, a party should be provided 45 days to appeal a medical dispute decision into district court. This change benefits all workers' compensation system participants by establishing a clear timeframe to file an appeal in district court, regardless of the workers' compensation benefits at issue.

As proposed, S.B. 809 amends current law relating to judicial review in district court of certain workers' compensation disputes.

RULEMAKING AUTHORITY

This bill does not expressly grant any additional rulemaking authority to a state officer, institution, or agency.

SECTION BY SECTION ANALYSIS

SECTION 1. Amends Section 410.252(d), Labor Code, to provide that if a suit is initially filed within the 45-day period, rather than 40-day period, in Subsection (a) (relating to seeking judicial review), and is transferred under Subsection (c) (relating to transferring a case to a proper court), the suit is considered to be timely filed in the court to which it is transferred.

SECTION 2. Amends Section 413.0311(d), Labor Code, to create an exception as provided by Section 413.0312. Makes a nonsubstantive change.

SECTION 3. Amends Subchapter C, Chapter 413, Labor Code, by adding Section 413.0312, as follows:

Sec. 413.0312. JUDICIAL REVIEW OF CERTAIN MEDICAL DISPUTES: TIME FOR FILING PETITION; VENUE. (a) Authorizes a party to seek judicial review of a final decision of a hearings officer in a contested case hearing under Section 413.0311 (Review of Certain Medical Disputes; Contested Case Hearing) by filing suit not later than the 45th day after the date on which the division of workers' compensation of the Texas Department of Insurance (division) mailed the party the decision of the hearings officer. Provides that, for purposes of this section, the mailing date is considered to be the fifth day after the date the decision of the hearings officer was filed with the division.

(b) Requires the party bringing suit to appeal the decision to file a petition with the appropriate court:

(1) in the county where the employee resided at the time of the injury or death, if the employee is deceased; or

(2) in the case of an occupational disease, in the county where the employee resided on the date disability began or any county agreed to by the parties.

(c) Requires the court, if a suit under this section is filed in a county other than the county described by Subsection (b), on determining that it does not have jurisdiction to render judgment on the merits of the suit, to transfer the case to a proper court in a county described by Subsection (b). Requires that notice of the transfer of a suit be given to the parties. Requires that a suit transferred under this subsection be considered for all purposes the same as if originally filed in the court to which it is transferred.

(d) Provides that, if a suit is initially filed within the 45-day period in Subsection (a), and is transferred under Subsection (c), the suit is considered to be timely filed in the court to which it is transferred.

SECTION 4. Makes application of this Act prospective.

SECTION 5. Effective date: September 1, 2011.