

Statement
Insurance Association of Connecticut

Judiciary Committee

March 24, 2006

SB 548, An Act Concerning The Award of Workers' Compensation
For Scarring and Disfigurement

The Insurance Association of Connecticut (IAC) is opposed to SB 548, An Act Concerning The Award of Workers' Compensation For Scarring and Disfigurement, as it would reverse important components of the Workers' Compensation reforms enacted by the General Assembly in 1993.

The 1993 reforms have worked, as intended, for the benefit of the state. Workers' compensation rates in the standard market have gone down since 1993 with a cumulative reduction of over 50 per cent. With these changes, Connecticut still provides injured employees with one of the most extensive sets of workers' compensation benefits in the country. Balance has been brought to the system. Any reversal of these reforms would correspondingly increase employers' workers' compensation costs. The IAC believes that would be the wrong message to send to the state's business community.

SB 548 would revert statutory scarring benefits language so that benefits may be available for a scar "on any area of the body," regardless of whether the scar handicaps the claimant in getting or keeping work. The 1993 reforms amended that language because benefits were being awarded excessively. The 1993 act reasonably limited scarring benefits to the face, head or neck, or any area that adversely impacts the claimant's ability to obtain or continue work. SB 548 would increase the cost of workers' compensation coverage

unnecessarily. It should also be pointed out that most states provide less scarring benefits to claimants than Connecticut does under current law.

Connecticut already provides injured employees with one of the most extensive sets of workers' compensation benefits in the country. Included in those existing benefits is the unique authority for commissioners in this state to award additional discretionary benefits under C.G.S. 31-308a.

The ill-conceived and undefined nature of SB 548 creates obvious opportunities for misuse and abuse. SB 548 is directly contrary to the successful legislative reforms of 1993 and will add appreciable and counterproductive costs to the workers' compensation system.

IAC urges rejection of SB 548.