
OLR Bill Analysis

sSB 61

AN ACT CONCERNING WORKERS' COMPENSATION AND LIABILITY FOR HOSPITAL AND AMBULATORY SURGICAL CENTER SERVICES.

SUMMARY:

Starting July 1, 2015, this bill sets the rates for workers' compensation-related services at hospitals and ambulatory (i.e., out-patient) surgical centers (ASC) at 200% of the hospital's or surgical center's Medicare reimbursement rate for the same services, unless the hospital or ASC negotiates different rates with the injured employee's employer or workers' compensation insurance carrier (the "payor").

Current law requires the payor to pay a hospital for its actual costs of treating an injured worker, as determined by a workers' compensation commissioner. In practice, the payor and hospital or ASC generally negotiate discounted rates for the hospital's or ASC's services. If they do not negotiate, the payor must pay the hospital's or ASC's billed rates (see BACKGROUND).

As under existing law, a workers' compensation commissioner must settle all disputes over payments for hospital or ASC services. The bill requires such disputes to be filed within one year after the payor (1) pays the hospital or (2) notifies the hospital or ASC of the dispute.

Although not specified in statute, workers' compensation-related treatments and charges from ASCs are, in practice, treated the same as those from hospitals. The bill codifies current practice by (1) requiring employers to provide injured employees with any reasonable or necessary ASC services, (2) requiring payors to cover ASC blood testing for certain emergency service personnel, and (3) allowing a workers' compensation commissioner to order a change in an employee's ASC services.

EFFECTIVE DATE: July 1, 2014

BACKGROUND

Related Case

In September 2012, a workers' compensation commissioner ruled that a workers' compensation payor must pay a hospital's billed charges unless the payor has negotiated discounted rates with the hospital. The commissioner found that the provisions in CGS § 31-294d requiring employers to pay a hospital's actual costs, as determined by a compensation commissioner, are no longer applicable because they do not take precedence over the hospital rate deregulation laws in CGS Chapter 368z (*Thompson, et. al., v. J&J Properties, et. al., Liberty Mutual Insurance et. al., and Lawrence & Memorial Hospital and William W. Backus Hospital* (State of Connecticut Workers' Compensation Commission, Second District, Norwich, Connecticut, File Nos. 200151995, 200158976, 200115873, 400008394, September, 2012)).

COMMITTEE ACTION

Labor and Public Employees Committee

Joint Favorable Substitute

Yea 10 Nay 0 (03/18/2014)