

# 300 WORDS (more or less) about WORKERS' COMPENSATION

**PROBLEM**—Senate Bill 2548 by Sen. Villalobos would undo many of the reforms passed in 2003 and could greatly increase the cost of workers' compensation insurance for all Florida businesses.

**BACKGROUND**—Prior to 2003, Florida ranked as one of the highest in the nation in workers' compensation insurance costs. Litigation was increasing every year, over-utilization of medical benefits was a serious problem, and fraud appeared to be a growth industry. Against that background, the Legislature convened in Special Session in May of 2003 and passed SB 50-A, the first major reform of the workers' compensation system in many years. The governor signed it into law as Ch. 2003-412, LOF, and over the last four years that reform has cut workers' compensation insurance costs in Florida in half. Every year since its passage, the reforms have been under attack by worker advocate groups wanting higher benefits and attorneys wanting higher fees. So far, the attacks have failed and the Florida system remains one of the best in the nation.

**DISCUSSION**—Senate Bill 2548 has the real potential of undoing that reform and increasing the cost of workers' compensation insurance to all Florida businesses. Key elements include:

- ◆ Eliminating the attorney fee restrictions passes in SB 50-A, once again opening the floodgates of expensive litigation.
- ◆ Encouraging “doctor shopping” by allowing claimants to change doctors as many times as they wish. At a minimum, this would lead

to increased medical costs; it could also easily lead to a claimant continually changing doctors until one was found who would give a higher impairment rating. In the same vein, it allows the claimant to seek unlimited Independent Medical Examinations (IMEs) paid for by the carrier, but limits the carrier to just one IME. This, too, would encourage doctor shopping.

- ◆ Eliminating the use of Expert Medical Advisors—those impartial experts who act as the “tie breaker” when there are conflicting medical opinions in a case.
- ◆ Removing the 2003 restrictions on impairment benefits based on psychiatric conditions, something sure to increase costs.
- ◆ Increasing substantially the ability to get supplemental benefits and their duration when granted. Plus, since they would be granted almost automatically if the worker conducted an “unsuccessful” job search after an injury or found a job paying less than 80 percent of his/her former average weekly wage, it could take us back to the old days of the wage loss system, where workers were able to “game” the system by the ways in which they did their job searches.

All of these changes would undo the reforms of 2003 and would lead to higher insurance costs for Florida businesses.

**SOLUTION**—Please oppose SB 2548.

FOR MORE INFORMATION, CONTACT:

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