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By the Committee on Insurance and Representatives Waters, Simmons, Negron, Berfield, Brown, Clarke, Ross, McGriff, Kallinger, Fields, Melvin, Baker and Lee

A bill to be entitled An act relating to workers' compensation; amending s. 440.02, F.S.; revising definitions; amending s. 440.05, F.S.; requiring the Division of Corporations to establish criteria for sole proprietors and partners electing exemption under certain circumstances; limiting services sole proprietors, partners, and corporate officers electing to be exempt may provide; requiring that a corporate officer claiming an exemption from ch. 440, F.S., be listed with the Department of State; requiring that the Division of Workers' Compensation of the Department of Labor and Employment Security issue a stop-work order upon failure to produce such records or maintain such listing; limiting application of the exemption; amending s. 440.06, F.S.; clarifying certain limitations imposed on an employer who fails to secure compensation; amending s. 440.09, F.S.; requiring compensation for accidental compensable injuries; amending s. 440.091, F.S.; specifying circumstances under which firefighters, emergency medical technicians, and paramedics are considered to be acting within the scope of their employment so as to qualify for workers' compensation benefits; characterizing certain activities of certain officers as arising out of and in the course of employment for compensability purposes and providing circumstances under which certain

officers may continue in full-pay status when 1 2 injured; amending s. 440.092, F.S.; deleting a 3 provision relating to the going and coming rule 4 applicable to certain law enforcement officers 5 that is transferred by the amendment to s. 6 440.091, F.S.; providing a declaration of 7 important state interest; amending s. 440.10, 8 F.S.; revising certain limitations on an employer's liability for compensation; amending 9 s. 440.107, F.S.; providing for a penalty to be 10 11 imposed against an employer for certain 12 misrepresentations made to a carrier; requiring 13 that the division notify the Department of 14 Business and Professional Regulation upon the 15 failure of certain employers to secure payment 16 of workers' compensation; amending s. 440.11, F.S.; revising provisions relating to employer 17 liability to provide an exemption in the case 18 of intentional misconduct by an employer; 19 20 amending s. 440.13, F.S.; requiring that costs for an independent medical examination be 21 determined under ch. 440, F.S.; requiring the 22 carrier to give the employee the opportunity to 23 24 change physicians under certain circumstances 25 and limitations; revising the effect of an 26 independent medical examination; limiting the 27 admissibility of certain medical opinions; 28 revising the limitation on medical fees; 29 providing an exception to certain recourse for payment for services rendered; amending s. 30 31 440.134, F.S.; providing for discontinuance of

1 medical care under a managed care plan 2 regardless of the date of an accident; amending 3 s. 440.14, F.S.; revising the computation of 4 the average weekly wage of an employee for the 5 purposes of determining benefits; amending s. 440.15, F.S.; revising the criteria for 6 7 permanent total disability; revising the 8 compensation rate for impairment income benefits; deleting a provision relating to 9 full-pay status for certain law enforcement 10 11 officers that is transferred by the amendment 12 to s. 440.091, F.S., and providing a reference 13 thereto; amending s. 440.191, F.S.; authorizing the Employee Assistance and Ombudsman Office to 14 15 initiate contact with an injured employee to 16 discuss rights and responsibilities; revising other duties of the office; amending s. 17 440.192, F.S.; revising the procedures for 18 resolving benefit disputes and filing petitions 19 20 for benefits; specifying information that must be included in a petition for benefits; 21 22 requiring that a claim be raised by petition for purposes of adjudication; amending s. 23 24 440.20, F.S.; limiting amount of attorney's fees in cases determining lump-sum settlements; 25 26 amending s. 440.25, F.S.; revising procedures 27 for mediation and hearings; extending the time 28 for ordering and holding mediation conferences; 29 providing requirements for granting a continuance; providing for mediation conducted 30 31 by mediators other than from the Office of the

1 Judges of Compensation Claims; requiring that 2 the parties complete pretrial stipulations 3 before concluding mediation; extending the time for holding final hearings; providing for 4 5 waiver of any benefit not raised at the final hearing; providing for an expedited 6 7 determination of pay; requiring that certain 8 claims be resolved through an expedited process; providing for dismissal for lack of 9 prosecution; limiting the payment of interest 10 and the attachment of attorney's fees; amending 11 12 s. 440.271, F.S.; requiring appellate mediation 13 and providing procedures therefor; amending s. 440.29, F.S.; requiring opinions of independent 14 15 medical examiners to be received into evidence under certain conditions; amending s. 440.34, 16 F.S.; revising the limit on the amount of 17 attorney's fees that may be approved by a judge 18 of compensation claims and eliminating factors 19 20 that the judge must consider; applying such 21 limits to any agreement related to benefits under ch. 440, F.S.; requiring the Board of 22 Governors of the Joint Underwriting Plan to 23 conduct a study and provide a report to the 24 Legislature; providing for application; 25 26 providing for construction; providing for 27 severability; providing effective dates.

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Be It Enacted by the Legislature of the State of Florida:

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Section 1. Subsection (1), paragraph (d) of subsection (14), and subsection (37) of section 440.02, Florida Statutes, are amended, and subsections (40), (41), and (42) are added to said section, to read:

440.02 Definitions.--When used in this chapter, unless the context clearly requires otherwise, the following terms shall have the following meanings:

"Accident" means only an unexpected or unusual event or result that happens suddenly. A mental or nervous injury due to stress, fright, or excitement only, or disability or death due to the accidental acceleration or aggravation of a venereal disease or of a disease due to the habitual use of alcohol or controlled substances or narcotic drugs, or a disease that manifests itself in the fear of or dislike for an individual because of the individual's race, color, religion, sex, national origin, age, or handicap is not an injury by accident arising out of the employment. If a preexisting disease or anomaly is accelerated or aggravated by an accident arising out of and in the course of employment, only acceleration of death or acceleration or aggravation of the preexisting condition reasonably attributable to the accident is compensable, with respect to death or permanent impairment. An injury or exposure caused by exposure to a toxic substance is not an injury by accident arising out of the employment unless there is clear and convincing evidence establishing that exposure to the specific substance involved, at the levels at which the employee was exposed, can cause the injury or disease sustained by the employee.

(14)

- (d) "Employee" does not include:
- 1. An independent contractor, if:

- a. The independent contractor maintains a separate business with his or her own work facility, truck, equipment, materials, or similar accommodations;
- b. The independent contractor holds or has applied for a federal employer identification number, unless the independent contractor is a sole proprietor who is not required to obtain a federal employer identification number under state or federal requirements;
- c. The independent contractor performs or agrees to perform specific services or work for specific amounts of money and controls the means of performing the services or work;
- d. The independent contractor incurs the principal expenses related to the service or work that he or she performs or agrees to perform;
- e. The independent contractor is responsible for the satisfactory completion of work or services that he or she performs or agrees to perform and is or could be held liable for a failure to complete the work or services;
- f. The independent contractor receives compensation for work or services performed for a commission or on a per-job or competitive-bid basis and not on any other basis;
- g. The independent contractor may realize a profit or suffer a loss in connection with performing work or services;
- h. The independent contractor has continuing or recurring business liabilities or obligations; and
- i. The success or failure of the independent contractor's business depends on the relationship of business receipts to expenditures.

However, the determination as to whether an individual included in the Standard Industrial Classification Manual of 1987, Industry Numbers 0711, 0721, 0722, 0751, 0761, 0762, 0781, 0782, 0783, 0811, 0831, 0851, 2411, 2421, 2435, 2436, 2448, or 2449, or a newspaper delivery person, is an independent contractor is governed not by the criteria in this paragraph but by common-law principles, giving due consideration to the business activity of the individual.

- 2. A real estate salesperson or agent, if that person agrees, in writing, to perform for remuneration solely by way of commission.
- 3. Bands, orchestras, and musical and theatrical performers, including disk jockeys, performing in licensed premises as defined in chapter 562, if a written contract evidencing an independent contractor relationship is entered into before the commencement of such entertainment.
- 4. An owner-operator of a motor vehicle who transports property under a written contract with a motor carrier which evidences a relationship by which the owner-operator assumes the responsibility of an employer for the performance of the contract, if the owner-operator is required to furnish the necessary motor vehicle equipment and all costs incidental to the performance of the contract, including, but not limited to, fuel, taxes, licenses, repairs, and hired help; and the owner-operator is paid a commission for transportation service and is not paid by the hour or on some other time-measured basis.
- 5. A person whose employment is both casual and not in the course of the trade, business, profession, or occupation of the employer.

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- A volunteer, except a volunteer worker for the state or a county, municipality, or other governmental entity. A person who does not receive monetary remuneration for services is presumed to be a volunteer unless there is substantial evidence that a valuable consideration was intended by both employer and employee. For purposes of this chapter, the term "volunteer" includes, but is not limited to:
- a. Persons who serve in private nonprofit agencies and who receive no compensation other than expenses in an amount less than or equivalent to the standard mileage and per diem expenses provided to salaried employees in the same agency or, if such agency does not have salaried employees who receive mileage and per diem, then such volunteers who receive no compensation other than expenses in an amount less than or equivalent to the customary mileage and per diem paid to salaried workers in the community as determined by the division; and
- b. Volunteers participating in federal programs established under Pub. L. No. 93-113.
- Any officer of a corporation who elects to be exempt from this chapter.
- 8. A sole proprietor or officer of a corporation who actively engages in the construction industry, and a partner in a partnership that is actively engaged in the construction industry, who elects to be exempt from the provisions of this chapter. Such sole proprietor, officer, or partner is not an employee for any reason until the notice of revocation of election filed pursuant to s. 440.05 is effective.
- 9. An exercise rider who does not work for a single horse farm or breeder, and who is compensated for riding on a 31 case-by-case basis, provided a written contract is entered

into prior to the commencement of such activity which evidences that an employee/employer relationship does not exist.

- 10. A taxicab, limousine, or other passenger vehicle-for-hire driver who operates said vehicles pursuant to a written agreement with a company which provides any dispatch, marketing, insurance, communications, or other services under which the driver and any fees or charges paid by the driver to the company for such services are not conditioned upon, or expressed as a proportion of, fare revenues.
- official for an entity sponsoring an interscholastic sports event or for a public entity or private, nonprofit organization that sponsors an amateur sports event. For purposes of this subparagraph, such a person is an independent contractor. For purposes of this subparagraph, the term "sports official" means any person who is a neutral participant in a sports event, including, but not limited to, umpires, referees, judges, linespersons, scorekeepers, or timekeepers. This subparagraph does not apply to any person employed by a district school board who serves as a sports official as required by the employing school board or who serves as a sports official as part of his or her responsibilities during normal school hours.
- 12. For the purposes of a nurse registry, as defined in s. 400.462(15) and licensed pursuant to s. 400.506, a registered nurse or licensed practical nurse, licensed under chapter 464, or a certified nursing assistant, home health aide, companion, or homemaker, as they are defined in s. 400.462.

- (37) "Catastrophic injury" means a permanent impairment constituted by:
- (a) Spinal cord injury involving severe paralysis of an arm, a leg, or the trunk;
- (b) Amputation of an arm, a hand, a foot, or a leg involving the effective loss of use of that appendage;
- (c) Severe brain or closed-head injury as evidenced by:
 - 1. Severe sensory or motor disturbances;
 - 2. Severe communication disturbances;
- 3. Severe complex integrated disturbances of cerebral function;
 - 4. Severe episodic neurological disorders; or
- 5. Other severe brain and closed-head injury conditions at least as severe in nature as any condition provided in subparagraphs 1.-4.;
- (d) Second-degree or third-degree burns of 25 percent or more of the total body surface or third-degree burns of 5 percent or more to the face and hands; \underline{or}
 - (e) Total or industrial blindness. ; or
- (f) Any other injury that would otherwise qualify under this chapter of a nature and severity that would qualify an employee to receive disability income benefits under Title II or supplemental security income benefits under Title XVI of the federal Social Security Act as the Social Security Act existed on July 1, 1992, without regard to any time limitations provided under that act.
- (40) "Specificity" means information provided on the petition for benefits sufficient to put the employer or carrier on notice of the exact statutory classification and outstanding time period of benefits being requested, including

a detailed explanation of any benefits received that should be increased, decreased, changed, or otherwise modified. For purposes of petitions for medical benefits only, "specificity" means the specific reason the benefit is being requested, the benefit is medically necessary, and the current treatment, if any, is not sufficient.

- (41) "Commerical building" means any building or structure intended for commerical or industrial use, or any building or structure intended for multifamily use of more than four dwelling units, as well as any accessory use structures constructed in conjunction with the principle structure.
- (42) "Residential building" means any building or structure intended for residential use containing four or fewer dwelling units and any structures intended as an accessory use to the residential structure.
- Section 2. Subsections (10), (11), and (12) are added to section 440.05, Florida Statutes, to read:
- 440.05 Election of exemption; revocation of election; notice; certification.--
- not been in business long enough to provide the information required of an established business, the division shall establish by rule such other criteria to show that the sole proprietor or partner intends to engage in a legitimate enterprise within the construction industry and is not otherwise attempting to evade the requirements of this act.
- (11) No sole proprietor, partner, or corporate officer electing to be exempt shall provide construction services on a commercial building. However, any contractor who is engaged primarily in residential construction but performs work on a

commercial building where the prime construction contract does 1 2 not exceed \$250,000, or any contractor engaged primarily in residential construction who is converting an existing 3 residential building to a commercial building, may perform 4 5 service under such contract or conversion. 6 (12)(a) Any corporate officer claiming an exemption 7 under this section must be listed as a corporate officer on 8 the records of the Department of State. If the person 9 claiming an exemption as a corporate officer is not listed in the records of the Department of State, the person must 10 provide to the division, upon request by the division, a 11 12 notarized affidavit stating that the person is a bona fide 13 officer of the corporation and stating the date his or her 14 appointment or election as a corporate officer became or will become effective. The statement must be signed under oath by 15 16 both the officer in question and the president or chief operating officer of the corporation and must be notarized. 17 The division shall issue a stop-work order under s. 440.107 to 18 19 any person who claims to be exempt as a corporate officer but 20 who fails or refuses to produce the documents required under this subsection to the division within 3 business days after 21 the request is made, or who fails to otherwise secure the 22 insurance coverage for workers' compensation benefits for 23 24 himself or herself if required to do so under this chapter. (b) An exemption from the requirements of this chapter 25 26 applies only to the person claiming the exemption and only for 27 the entity that is the subject of the federal income tax 28 reports filed by the person claiming the exemption. A separate 29 exemption is required for each corporation from which a person receives any remuneration for labor, services, or products. 30

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Section 3. Section 440.06, Florida Statutes, is amended to read:

440.06 Failure to secure compensation; effect.--Every employer who fails to secure the payment of compensation as provided in s. 440.10 by failing to meet the requirements of under this chapter as provided in s. 440.38 may not, in any suit brought against him or her by an employee subject to this chapter to recover damages for injury or death, defend such a suit on the grounds that the injury was caused by the negligence of a fellow servant, that the employee assumed the risk of his or her employment, or that the injury was due to the comparative negligence of the employee.

Section 4. Subsection (1) of section 440.09, Florida Statutes, is amended to read:

440.09 Coverage.--

- (1) The employer shall pay compensation or furnish benefits required by this chapter if the employee suffers an accidental, compensable injury or death arising out of work performed in the course and the scope of employment. The injury, its occupational cause, and any resulting manifestations or disability shall be established to a reasonable degree of medical certainty and by objective medical findings. Mental or nervous injuries occurring as a manifestation of an injury compensable under this section shall be demonstrated by clear and convincing evidence. In a case involving occupational disease or repetitive exposure, both causation and sufficient exposure to support causation must be proven by a preponderance of the evidence.
- (a) This chapter does not require any compensation or benefits for any subsequent injury the employee suffers as a 31 result of an original injury arising out of and in the course

of employment unless the original injury is the major contributing cause of the subsequent injury. The work-related accident must be more than 50-percent responsible for the injury and subsequent disability or need for treatment in order for the accident to be a major contributing cause.

- (b) If an injury arising out of and in the course of employment combines with a preexisting disease or condition to cause or prolong disability or need for treatment, the employer must pay compensation or benefits required by this chapter only to the extent that the injury arising out of and in the course of employment is and remains more than 50-percent responsible for the major contributing cause of the disability or need for treatment.
- (c) Death resulting from an operation by a surgeon furnished by the employer for the cure of hernia as required in s. 440.15(6) shall for the purpose of this chapter be considered to be a death resulting from the accident causing the hernia.
- employed elsewhere than in this state, which would entitle the employee or his or her dependents to compensation if it had happened in this state, the employee or his or her dependents are entitled to compensation if the contract of employment was made in this state, or the employment was principally localized in this state. However, if an employee receives compensation or damages under the laws of any other state, the total compensation for the injury may not be greater than is provided in this chapter.

Section 5. Section 440.091, Florida Statutes, is amended to read:

440.091 Law enforcement officer, firefighter, emergency medical technician, or paramedic; when acting within the course of employment.--

(1) If an employee:

(a)(1) Is elected, appointed, or employed full time by a municipality, the state, or any political subdivision and is vested with authority to bear arms and make arrests and the employee's primary responsibility is the prevention or detection of crime or the enforcement of the penal, criminal, traffic, or highway laws of the state;

 $\underline{\text{(b)}(2)}$ Was discharging that primary responsibility within the state in a place and under circumstances reasonably consistent with that primary responsibility; and

 $\underline{(c)(3)}$ Was not engaged in services for which he or she was paid by a private employer, and the employee and his or her public employer had no agreement providing for workers' compensation coverage for that private employment, \div

the employee <u>is considered</u> shall be deemed to have been acting within the course of employment. The term "employee" as used in this <u>subsection</u> section includes all certified supervisory and command personnel whose duties include, in whole or in part, responsibilities for the supervision, training, guidance, and management of full-time law enforcement officers, part-time law enforcement officers, or auxiliary law enforcement officers but does not include support personnel employed by the employing agency.

(2) If a firefighter as defined in s. 112.191(1)(b) is engaged in extinguishing a fire, or protecting and saving life or property due to a fire in this state in an emergency, and such activities would be considered to be within the course of

his or her employment as a firefighter and covered by the employer's workers' compensation coverage except for the fact that the firefighter was off duty or that the location of the fire was outside the employer's jurisdiction or area of responsibility, such activities are considered to be within the course of employment. This subsection does not apply if the firefighter is performing activities for which he or she is paid by another employer or contractor.

- (3) If an emergency medical technician or paramedic certified under chapter 401 is providing basic life support or advanced life support service, as defined in s. 401.23, in an emergency situation in this state, and such activities would be considered to be within the course of his or her employment as an emergency medical technician or paramedic and covered by the employer's workers' compensation coverage except for the fact that the location of the emergency was outside of the employer's jurisdiction or area of responsibility, such activities are considered to be within the course of employment. The provisions of this subsection do not apply if the emergency medical technician or paramedic is performing activities for which he or she is paid by another employer or contractor.
- enforcement officer as defined in s. 943.10(1) during the officer's work period or while going to or coming from work in an official law enforcement vehicle shall be presumed to be an injury arising out of and in the course of employment unless the injury occurred during a distinct deviation for a nonessential personal errand. If, however, the employer's policy or the collective bargaining agreement that applies to the officer permits such deviations for nonessential errands,

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the injury shall be presumed to arise out of and in the course of employment.

(5) Any law enforcement officer as defined in s. 943.10(1), (2), or (3) who, while acting within the course of employment as provided by subsection (1), is maliciously or intentionally injured and who thereby sustains a job-connected disability compensable under this chapter shall be carried in full-pay status rather than being required to use sick, annual, or other leave. Full-pay status shall be granted only after submission of a medical report to the employing agency's head which gives a current diagnosis of the employee's recovery and ability to return to work. In no case shall the employee's salary and workers' compensation benefits exceed the amount of the employee's regular salary requirements.

Section 6. Subsection (2) of section 440.092, Florida Statutes, is amended to read:

440.092 Special requirements for compensability; deviation from employment; subsequent intervening accidents .--

(2) GOING OR COMING.--Except as provided in s. 440.091(4), an injury suffered while going to or coming from work is not an injury arising out of and in the course of employment whether or not the employer provided transportation if such means of transportation was available for the exclusive personal use by the employee, unless the employee was engaged in a special errand or mission for the employer. For the purposes of this subsection and not withstanding any other provisions of law to the contrary, an injury to a law enforcement officer as defined in s. 943.10(1), during the officer's work period or while going to or coming from work in an official law enforcement vehicle, shall be presumed to be 31 an injury arising out of and in the course of employment

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unless the injury occurred during a distinct deviation for a nonessential personal errand. If, however, the employer's policy or the collective bargaining agreement that applies to the officer permits such deviations for nonessential errands, the injury shall be presumed to arise out of and in the course of employment.

Section 7. It is declared by the Legislature that firefighters perform state and municipal functions, that it is their duty to protect life and property at their own risk and peril, and that their activities are vital to the public safety. Therefore, the Legislature declares that it fulfills an important state interest to provide workers' compensation coverage to firefighters while they are engaged in extinguishing a fire, protecting and saving life or property due to a fire in this state while off duty, or engaging in such activities at a fire located outside the employer's jurisdiction or area of responsibility. It is further declared by the Legislature that emergency medical technicians and paramedics perform municipal and state functions, that it is their duty to protect and preserve life at their own risk and peril, and that their activities are vital to the public health, safety, and welfare. Therefore, the Legislature declares that it fulfills an important state interest to provide workers' compensation coverage to emergency medical technicians and paramedics while they are engaged in basic life support and advanced life support services due to an emergency in this state that is outside of their employer's jurisdiction or area of responsibility. Pursuant to Section 18, Article VII of the State Constitution, the Legislature determines and declares that the provisions of this act fulfill an important state interest.

Section 8. Paragraph (a) of subsection (1) of section 1 2 440.10, Florida Statutes, is amended to read: 3 440.10 Liability for compensation. --4 (1)(a) Every employer coming within the provisions of 5 this chapter, including any brought within the chapter by 6 waiver of exclusion or of exemption, shall be liable for, and 7 shall secure, in accordance with s. 440.38, the payment to his 8 or her employees, or any physician, surgeon, or pharmacist 9 providing services under the provisions of s. 440.13, of the compensation payable under ss. 440.13, 440.15, and 440.16. Any 10 11 contractor or subcontractor who engages in any public or 12 private construction in the state shall secure and maintain 13 compensation for his or her employees under this chapter as 14 provided in s. 440.38. 15 A sole proprietor, partner, or officer of a corporation who 16 elects exemption from this chapter by filing a certificate of 17 election under s. 440.05 may not recover benefits or 18 19 compensation under this chapter. An independent contractor 20 who provides the general contractor with both an affidavit stating that he or she meets the requirements of s. 21 22 440.02(14)(d) and a certificate of exemption is not an employee under s. 440.02(14)(c) and may not recover benefits 23 under this chapter. For purposes of determining the 24 25 appropriate premium for workers' compensation coverage, carriers may not consider any person who meets the 26 27 requirements of this paragraph to be an employee. 28 Section 9. Subsection (5) of section 440.107, Florida 29 Statutes, is amended, and subsection (12) is added to said 30 section, to read:

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440.107 Division powers to enforce employer compliance with coverage requirements.--

- (5) Whenever the division determines that an employer who is required to secure the payment to his or her employees of the compensation provided for by this chapter has failed to do so or that an employer has misrepresented to a carrier the size or classification of the employer's payroll, such failure or intentional misrepresentation shall be deemed an immediate serious danger to public health, safety, or welfare sufficient to justify service by the division of a stop-work order on the employer, requiring the cessation of all business operations at the place of employment or job site. The order shall take effect upon the date of service upon the employer, unless the employer provides evidence satisfactory to the division of having secured any necessary insurance or self-insurance and pays a civil penalty to the division, to be deposited by the division into the Workers' Compensation Administration Trust Fund, in the amount of \$100 per day for each day the employer was not in compliance with this chapter.
- certified or registered under part I or part II of chapter 489 and who is required to secure payment of the compensation provided for by this chapter to his or her employees has failed to do so, the division shall immediately notify the Department of Business and Professional Regulation.

Section 10. Subsection (1) of section 440.11, Florida Statutes, is amended to read:

440.11 Exclusiveness of liability.--

(1) Except if an employer acts with the intent to cause injury or death, the liability of an employer prescribed in s. 440.10 shall be exclusive and in place of all other

liability, including any vicarious liability, of such employer 1 2 to any third-party tortfeasor and to the employee, the legal 3 representative thereof, husband or wife, parents, dependents, next of kin, and anyone otherwise entitled to recover damages 4 5 from such employer at law or in admiralty on account of such 6 injury or death, except that if an employer fails to secure 7 payment of compensation in accordance with s. 440.38 as 8 required by this chapter, an injured employee, or the legal representative thereof in case death results from the injury, 9 may elect to claim compensation under this chapter or to 10 maintain an action at law or in admiralty for damages on 11 account of such injury or death. In such action the defendant 12 13 may not plead as a defense that the injury was caused by 14 negligence of a fellow employee, that the employee assumed the risk of the employment, or that the injury was due to the 15 16 comparative negligence of the employee. The same immunities from liability enjoyed by an employer shall extend as well to 17 each employee of the employer when such employee is acting in 18 19 furtherance of the employer's business and the injured 20 employee is entitled to receive benefits under this chapter. Such fellow-employee immunities shall not be applicable to an 21 22 employee who acts, with respect to a fellow employee, with willful and wanton disregard or unprovoked physical aggression 23 or with gross negligence when such acts result in injury or 24 25 death or such acts proximately cause such injury or death, nor 26 shall such immunities be applicable to employees of the same 27 employer when each is operating in the furtherance of the 28 employer's business but they are assigned primarily to 29 unrelated works within private or public employment. The same immunity provisions enjoyed by an employer shall also apply to 30 31 any sole proprietor, partner, corporate officer or director,

supervisor, or other person who in the course and scope of his 1 or her duties acts in a managerial or policymaking capacity 3 and the conduct that which caused the alleged injury arose within the course and scope of said managerial or policymaking 4 5 duties and was not a violation of a law, whether or not a 6 violation was charged, for which the maximum penalty which may 7 be imposed does not exceed 60 days' imprisonment as set forth 8 in s. 775.082. The immunity from liability provided in this 9 subsection extends to county governments with respect to employees of county constitutional officers whose offices are 10 11 funded by the board of county commissioners. "Intent" includes 12 only those actions or conduct of the employer where the 13 employer actually intended that the consequences of its 14 actions or conduct would be injury or death. Proof of intent 15 includes only evidence of a deliberate and knowing intent to 16 harm. If an employee recovers damages from an employer by judgment or settlement under this subsection, the workers' 17 compensation carrier for the employer or the employer, if 18 19 self-insured, shall have an offset against any workers' 20 compensation benefits to which the employee would be entitled under this chapter and a lien against recovery for any 21 22 benefits paid prior to the recovery pursuant to this chapter 23 after deduction for attorney's fees and costs expended by the 24 employee in prosecuting the claim against the employer. 25 Section 11. Paragraph (j) of subsection (1), 26 paragraphs (a), (b), (c), (e), and (f) of subsection (5), and 27 paragraph (b) of subsection (14) of section 440.13, Florida 28 Statutes, are amended to read: 29 440.13 Medical services and supplies; penalty for violations; limitations.--30 (1) DEFINITIONS.--As used in this section, the term:

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- (j) "Independent medical examiner" means a physician selected by either an employee or a carrier to render one or more independent medical examinations in connection with a dispute arising under this chapter. Notwithstanding rules adopted by the division, costs for independent medical examinations shall be governed by this chapter.
 - (5) INDEPENDENT MEDICAL EXAMINATIONS. --
- (a) In any dispute concerning overutilization, medical benefits, compensability, or disability under this chapter, the carrier or the employee may select an independent medical examiner. If the parties agree, the examiner may be a health care provider treating or providing other care to the employee. An independent medical examiner may not render an opinion outside his or her area of expertise, as demonstrated by licensure and applicable practice parameters. Upon the written request of the employee, the carrier shall pay the cost of only one independent medical examination per accident. The cost of an additional independent medical examination, including the costs of an independent medical examiner's deposition, shall be borne by the party requesting the additional independent medical examination. Only the costs of independent medical examinations and the costs of depositions expressly relied upon by the judge of compensation claims to award benefits in the final compensation order are taxable costs under s. 440.34(3).
- (b) Each party is bound by his or her selection of an independent medical examiner and is entitled to an alternate examiner only if:
- 1. The examiner is not qualified to render an opinion upon an aspect of the employee's illness or injury which is material to the claim or petition for benefits;

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2. The examiner ceases to practice in the specialty relevant to the employee's condition;

3. The examiner is unavailable due to injury, death, or relocation outside a reasonably accessible geographic area;

4. The parties agree to an alternate examiner.

Any party may request, or a judge of compensation claims may require, designation of a division medical advisor as an independent medical examiner. The opinion of the advisors acting as examiners shall not be afforded the presumption set forth in paragraph (9)(c).

- (c) The carrier may, at its election, contact the claimant directly to schedule a reasonable time for an independent medical examination. The carrier must confirm the scheduling agreement in writing within 5 days and notify claimant's counsel, if any, at least 7 days before the date upon which the independent medical examination is scheduled to occur. An attorney representing a claimant is not authorized to schedule the self-insured employer's or the carrier's independent medical evaluations under this subsection.
- (e) No medical opinion other than the opinion of a medical advisor appointed by the judge of compensation claims or division, an independent medical examiner, or an authorized treating provider is admissible in proceedings before the judges of compensation claims. The employee and the carrier may each submit into evidence, and the judge of compensation claims shall admit, the medical opinion of not more than one qualified independent medical examiner per specialty. In cases involving occupational disease or repetitive trauma, medical opinions are not admissible unless based on reliable

scientific principles sufficiently established to have gained general acceptance in the pertinent area of specialty.

- (f) Attorney's fees incurred by an injured employee in connection with delay of or opposition to an independent medical examination, including, but not limited to, motions for protective orders, are not recoverable under this chapter.
 - (14) PAYMENT OF MEDICAL FEES. --
- (b) Fees charged for remedial treatment, care, and attendance may not exceed the applicable fee schedules adopted under this chapter, except as provided pursuant to a contract entered into between an employer or carrier and a certified health care provider or health care facility for the payment of medical services for covered expenses.

Section 12. Paragraph (a) of subsection (2) of section 440.134, Florida Statutes, is amended to read:

440.134 Workers' compensation managed care arrangement.--

(2)(a) The <u>self-insured</u> employer <u>or carrier</u> may, subject to the terms and limitations specified elsewhere in this section and chapter, furnish to the employee solely through managed care arrangements such medically necessary remedial treatment, care, and attendance for such period as the nature of the injury or the process of recovery requires. For any self-insured employer or carrier who elects to deliver the medical benefits required by this chapter through a method other than a workers' compensation managed care arrangement, the discontinuance of the use of the workers' compensation managed care arrangement shall be without regard to the date of the accident, notwithstanding any other provision of law or rule.

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Section 13. Paragraph (a) of subsection (1) of section 440.14, Florida Statutes, is amended to read:

440.14 Determination of pay.--

- (1) Except as otherwise provided in this chapter, the average weekly wages of the injured employee on the date of the accident, rather than on the date of disability at the time of the injury shall be taken as the basis upon which to compute compensation and shall be determined, subject to the limitations of s. 440.12(2), as follows:
- (a) If the injured employee has worked in the employment in which she or he was working at the time of the injury, whether for the same or another employer, during substantially the whole of 13 weeks immediately preceding the injury, her or his average weekly wage shall be one-thirteenth of the total amount of wages actually earned in such employment during the 13 weeks. As used in this paragraph, the term "substantially the whole of 13 weeks" means an actual shall be deemed to mean and refer to a constructive period of 13 weeks as a whole, which shall be defined as the 13 complete weeks before the date of the accident, excluding the week the injury occurs.a consecutive period of 91 days, and The term "during substantially the whole of 13 weeks" means shall be deemed to mean during not less than 90 percent of the total customary full-time hours of employment within such period considered as a whole. Raises received during the aforementioned 13-week period are only to be factored into the average weekly wage from the actual date the raise became effective.

Section 14. Paragraphs (b) and (f) of subsection (1), paragraph (a) of subsection (3), and subsection (12) of 31 section 440.15, Florida Statutes, are amended to read:

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440.15 Compensation for disability.--Compensation for disability shall be paid to the employee, subject to the limits provided in s. 440.12(2), as follows:

- (1) PERMANENT TOTAL DISABILITY. --
- Any compensable injury eligible for permanent total disability benefits must be of a nature and severity that prevents the employee from being able to perform at least sedentary employment. If the employee is engaged in or is capable of being engaged in at least sedentary employment, he or she is not entitled to permanent total disability benefits. The burden is on the employee to establish that he or she is unable to perform even sedentary work if such work is available within a 50-mile radius of the employee's residence or such greater distance as the judge determines to be reasonable under the circumstances. Such benefits shall be payable until the employee reaches the age of 72. Notwithstanding any age limit, if the accident occurred on or after the employee reaches the age of 65, benefits shall be payable during the continuance of permanent total disability, not to exceed 7 years following the determination of permanent total disability. In addition, Only a catastrophic injury as defined in s. 440.02 shall, in the absence of conclusive proof of a substantial earning capacity, constitute permanent total disability. Only claimants with catastrophic injuries are eligible for permanent total benefits. In no other case may permanent total disability benefits be awarded.
- (f)1. If permanent total disability results from injuries that occurred subsequent to June 30, 1955, and for which the liability of the employer for compensation has not been discharged under s. 440.20(11), the injured employee 31 shall receive additional weekly compensation benefits equal to

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5 percent of her or his weekly compensation rate, as established pursuant to the law in effect on the date of her or his injury, multiplied by the number of calendar years since the date of injury. The weekly compensation payable and the additional benefits payable under this paragraph, when combined, may not exceed the maximum weekly compensation rate in effect at the time of payment as determined pursuant to s. 440.12(2). Entitlement to these supplemental payments shall not be paid or payable after cease at age 62 if the employee is eligible for social security benefits under 42 U.S.C. ss. 402 and 423, whether or not the employee has applied for or is ineligible to apply for social security benefits under 42 U.S.C. s. 402 or s. 423 such benefits. These supplemental benefits shall be paid by the division out of the Workers' Compensation Administration Trust Fund when the injury occurred subsequent to June 30, 1955, and before July 1, 1984. These supplemental benefits shall be paid by the employer when the injury occurred on or after July 1, 1984. Supplemental benefits are not payable for any period prior to October 1, 1974.

2.a. The division shall provide by rule for the periodic reporting to the division of all earnings of any nature and social security income by the injured employee entitled to or claiming additional compensation under subparagraph 1. Neither the division nor the employer or carrier shall make any payment of those additional benefits provided by subparagraph 1. for any period during which the employee willfully fails or refuses to report upon request by the division in the manner prescribed by such rules.

The division shall provide by rule for the periodic 31 reporting to the employer or carrier of all earnings of any

nature and social security income by the injured employee entitled to or claiming benefits for permanent total disability. The employer or carrier is not required to make any payment of benefits for permanent total disability for any period during which the employee willfully fails or refuses to report upon request by the employer or carrier in the manner prescribed by such rules or if any employee who is receiving permanent total disability benefits refuses to apply for or cooperate with the employer or carrier in applying for social security benefits.

- 3. When an injured employee receives a full or partial lump-sum advance of the employee's permanent total disability compensation benefits, the employee's benefits under this paragraph shall be computed on the employee's weekly compensation rate as reduced by the lump-sum advance.
 - (3) PERMANENT IMPAIRMENT AND WAGE-LOSS BENEFITS. --
 - (a) Impairment benefits.--
- 1. Once the employee has reached the date of maximum medical improvement, impairment benefits are due and payable within 20 days after the carrier has knowledge of the impairment.
- 2. The three-member panel, in cooperation with the division, shall establish and use a uniform permanent impairment rating schedule. This schedule must be based on medically or scientifically demonstrable findings as well as the systems and criteria set forth in the American Medical Association's Guides to the Evaluation of Permanent Impairment; the Snellen Charts, published by American Medical Association Committee for Eye Injuries; and the Minnesota Department of Labor and Industry Disability Schedules. The schedule should be based upon objective findings. The schedule

shall be more comprehensive than the AMA Guides to the 1 Evaluation of Permanent Impairment and shall expand the areas 3 already addressed and address additional areas not currently contained in the guides. On August 1, 1979, and pending the 4 5 adoption, by rule, of a permanent schedule, Guides to the 6 Evaluation of Permanent Impairment, copyright 1977, 1971, 7 1988, by the American Medical Association, shall be the 8 temporary schedule and shall be used for the purposes hereof. For injuries after July 1, 1990, pending the adoption by 9 division rule of a uniform disability rating schedule, the 10 11 Minnesota Department of Labor and Industry Disability Schedule 12 shall be used unless that schedule does not address an injury. 13 In such case, the Guides to the Evaluation of Permanent 14 Impairment by the American Medical Association shall be used. Determination of permanent impairment under this schedule must 15 16 be made by a physician licensed under chapter 458, a doctor of osteopathic medicine licensed under chapters 458 and 459, a 17 chiropractic physician licensed under chapter 460, a podiatric 18 19 physician licensed under chapter 461, an optometrist licensed 20 under chapter 463, or a dentist licensed under chapter 466, as appropriate considering the nature of the injury. No other 21 22 persons are authorized to render opinions regarding the existence of or the extent of permanent impairment. 23

3. All impairment income benefits shall be based on an impairment rating using the impairment schedule referred to in subparagraph 2. Impairment income benefits are paid biweekly weekly at a the rate equal to 100 of 50 percent of the employee's compensation rate, average weekly temporary total disability benefit not to exceed the maximum weekly benefit under s. 440.12. An employee's entitlement to impairment income benefits begins the day after the employee reaches

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maximum medical improvement or the expiration of temporary benefits, whichever occurs earlier, and continues until the earlier of:

- a. The expiration of a period computed at the rate of3 weeks for each percentage point of impairment; or
 - b. The death of the employee.
- 4. After the employee has been certified by a doctor as having reached maximum medical improvement or 6 weeks before the expiration of temporary benefits, whichever occurs earlier, the certifying doctor shall evaluate the condition of the employee and assign an impairment rating, using the impairment schedule referred to in subparagraph 2. Compensation is not payable for the mental, psychological, or emotional injury arising out of depression from being out of work. If the certification and evaluation are performed by a doctor other than the employee's treating doctor, the certification and evaluation must be submitted to the treating doctor, and the treating doctor must indicate agreement or disagreement with the certification and evaluation. The certifying doctor shall issue a written report to the division, the employee, and the carrier certifying that maximum medical improvement has been reached, stating the impairment rating, and providing any other information required by the division. If the employee has not been certified as having reached maximum medical improvement before the expiration of 102 weeks after the date temporary total disability benefits begin to accrue, the carrier shall notify the treating doctor of the requirements of this section.
 - 5. The carrier shall pay the employee impairment income benefits for a period based on the impairment rating.

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2 procedures governing the method of payment of wage loss and impairment benefits for dates of accidents before January 1, 3 4 1994, and for dates of accidents on or after January 1, 1994. (12) FULL-PAY STATUS FOR CERTAIN LAW ENFORCEMENT 5 6 OFFICERS.--Law enforcement officers as defined in s. 7 943.10(1), (2), or (3) shall be paid in accordance with s. 8 440.091(5). Any law enforcement officer as defined in s. 943.10(1), (2), or (3) who, while acting within the course of 9 employment as provided by s. 440.091, is maliciously or 10 intentionally injured and who thereby sustains a job-connected 11 disability compensable under this chapter shall be carried in 12 13 full-pay status rather than being required to use sick, 14 annual, or other leave. Full-pay status shall be granted only 15 after submission to the employing agency's head of a medical report which gives a current diagnosis of the employee's 16 recovery and ability to return to work. In no case shall the 17 employee's salary and workers' compensation benefits exceed 18 19 the amount of the employee's regular salary requirements. 20 Section 15. Section 440.191, Florida Statutes, is 21 amended to read: 22 440.191 Employee Assistance and Ombudsman Office. --23 (1)(a) In order to effect the self-executing features 24 of the Workers' Compensation Law, this chapter shall be 25 construed to permit injured employees and employers or the 26 employer's carrier to resolve disagreements without undue

The division may by rule specify forms and

workers' compensation system, including, but not limited to, carriers, service providers, health care providers, managed

expense, costly litigation, or delay in the provisions of

care arrangements, attorneys, employers, and employees, to

benefits. It is the duty of all who participate in the

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attempt to resolve disagreements in good faith and to cooperate with the division's efforts to resolve disagreements between the parties. The division may by rule prescribe definitions that are necessary for the effective administration of this section.

- (b) An Employee Assistance and Ombudsman Office is created within the Division of Workers' Compensation to inform and assist injured workers, employers, carriers, and health care providers, and managed care arrangements in fulfilling their responsibilities under this chapter. The division may by rule specify forms and procedures for administering requests for assistance provided by this section.
- (c) The Employee Assistance and Ombudsman Office, Division of Workers' Compensation, shall be a resource available to all employees who participate in the workers' compensation system and shall take all steps necessary to educate and disseminate information to employees and employers. Upon receiving a notice of injury or death, the Employee Assistance and Ombudsman Office is authorized to initiate contact with the injured employee or the employee's representative to discuss rights and responsibilities of the employee under this chapter and the services available through the Employee Assistance and Ombudsman Office.
- (2) (a) An employee may not file a petition requesting any benefit under this chapter unless the employee has exhausted the procedures for informal dispute resolution under this section.
- (a) (b) If at any time the employer or its carrier fails to provide benefits to which the employee believes she or he is entitled, the employee shall contact the office to 31 | request assistance in resolving the dispute. The office may

review petitions for benefits filed under s. 440.192 and may shall investigate the dispute and shall attempt to facilitate an agreement between the employee and the employer or carrier. The employee, the employer, and the carrier shall cooperate with the office and shall timely provide the office with any documents or other information that it may require in connection with its efforts under this section.

(b)(c) The office may compel parties to attend conferences in person or by telephone in an attempt to resolve disputes quickly and in the most efficient manner possible. Settlement agreements resulting from such conferences must be submitted to the Office of the Judges of Compensation Claims for approval.

(c)(d) The Employee Assistance and Ombudsman Office may assign an ombudsman to assist the employee in resolving the dispute. If the dispute is not resolved within 30 days after the employee contacts the office, The ombudsman shall, at the employee's request, assist the employee in drafting a petition for benefits and explain the procedures for filing petitions. The division may by rule determine the method used to calculate the 30-day period. The Employee Assistance and Ombudsman Office may not represent employees before the judges of compensation claims. An employer or carrier may not pay any attorneys' fees on behalf of the employee for services rendered or costs incurred in connection with this section, unless expressly authorized elsewhere in this chapter.

Section 16. Subsections (2), (5), and (8) of section 440.192, Florida Statutes, are amended, and a new subsection (9) is added to said section, to read:

440.192 Procedure for resolving benefit disputes.--

- (2) Upon receipt of a petition, the Office of the Judges of Compensation Claims or the judge of compensation claims may shall review each petition and shall dismiss each petition or any portion of such a petition, upon the judge's own motion or upon the motion of any party, which that does not on its face specifically identify or itemize the following:
- (a) Name, address, telephone number, and social security number of the employee.
- (b) Name, address, and telephone number of the employer.
- (c) A detailed description of the injury and cause of the injury, including the location of the occurrence and the date or dates of the accident.
- (d) A detailed description of the employee's job, work responsibilities, and work the employee was performing when the injury occurred.
- (e) The time period for which compensation and the specific classification of compensation were not timely provided.
- (f) Date of maximum medical improvement, character of disability, and specific statement of all benefits or compensation that the employee is seeking.
- (g) All specific travel costs to which the employee believes she or he is entitled, including dates of travel and purpose of travel, means of transportation, and mileage and including the date the request for mileage was filed with the carrier and a copy of the request filed with the carrier.
- (h) Specific listing of all medical charges alleged unpaid, including the name and address of the medical

provider, the amounts due, and the specific dates of treatment.

- The type or nature of treatment care or attendance sought and the justification for such treatment. If the employee is under the care of a physician for the injury identified in paragraph (c), a copy of the physician's request, authorization, or recommendation for treatment, care, or attendant care must accompany the petition.
- (j) Specific explanation of any other disputed issue that a judge of compensation claims will be called to rule upon.
- (k) Any other information and documentation the Deputy Chief Judge may require by rule.

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The dismissal of any petition or portion of such a petition under this section is without prejudice and does not require a hearing.

- (5) All motions to dismiss must state with particularity the basis for the motion. The judge of compensation claims shall enter an order upon such motions without hearing, unless good cause for hearing is shown. When any petition or portion of a petition is dismissed for lack of specificity under this subsection, the claimant must file within be allowed 20 days after the date of the order of dismissal in which to file an amended petition. Any grounds for dismissal for lack of specificity under this section which are not asserted within 60 30 days after receipt of the petition for benefits are thereby waived.
- (8) Within 30 14 days after receipt of a petition for benefits by certified mail, the carrier must either pay the 31 requested benefits without prejudice to its right to deny

within 120 days after from receipt of the petition or file a response to petition with the Office of the Judges of Compensation Claims. The carrier must list all benefits requested but not paid and explain its justification for nonpayment in the response to petition. A carrier that does not deny compensability in accordance with s. 440.20(4) is deemed to have accepted the employee's injuries as compensable, unless it can establish material facts relevant to the issue of compensability that could not have been discovered through reasonable investigation within the 120-day period. The carrier shall provide copies of the response to the filing party, employer, and claimant by certified mail.

(9) Unless stipulated in writing by the parties, only claims that have been properly raised by a petition for benefits and have undergone mediation may be considered for adjudication by a judge of compensation claims.

Section 17. Paragraph (c) of subsection (11) of section 440.20, Florida Statutes, is amended to read:

440.20 Time for payment of compensation; penalties for late payment.--

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(c) Notwithstanding s. 440.21(2), when a claimant is represented by counsel, the claimant may waive all rights to any and all benefits under this chapter by entering into a settlement agreement releasing the employer and the carrier from liability for workers' compensation benefits in exchange for a lump-sum payment to the claimant. The settlement agreement requires approval by the judge of compensation claims only as to the attorney's fees paid to the claimant's attorney by the claimant. The judge of compensation claims shall not approve settlement proposals, including any

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stipulations or agreements between the parties or between a claimant and his or her attorney related to the settlement proposal, which provide for attorney's fees in excess of the amount permitted in s. 440.34. The parties need not submit any information or documentation in support of the settlement, except as needed to justify the amount of the attorney's fees. Neither the employer nor the carrier is responsible for any attorney's fees relating to the settlement and release of claims under this section. Payment of the lump-sum settlement amount must be made within 14 days after the date the judge of compensation claims mails the order approving the attorney's fees. Any order entered by a judge of compensation claims approving the attorney's fees as set out in the settlement under this subsection is not considered to be an award and is not subject to modification or review. The judge of compensation claims shall report these settlements to the Deputy Chief Judge in accordance with the requirements set forth in paragraphs (a) and (b). Settlements entered into under this subsection are valid and apply to all dates of accident.

Section 18. Subsections (1), (3), and (4) of section 440.25, Florida Statutes, are amended to read:

440.25 Procedures for mediation and hearings.--

(1) Within 90 21 days after a petition for benefits is filed under s. 440.192, a mediation conference concerning such petition shall be held. Within 40 7 days after such petition is filed, the judge of compensation claims shall notify the interested parties by order that a mediation conference concerning such petition will be held unless the parties have notified the Office of the Judges of Compensation Claims that a mediation has been held. Such order notice shall give the

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date by which, time, and location of the mediation conference must be held. Such order notice may be served personally upon the interested parties or may be sent to the interested parties by mail. Continuances may be granted only if the requesting party demonstrates to the judge of compensation claims that the reason for requesting the continuance arises from circumstances beyond the party's control. Any order granting a continuance must set forth the date of the rescheduled mediation conference. A mediation conference may not be used solely for the purpose of mediating attorney's fees. The claimant or the adjuster of the employer or carrier may, at the mediator's discretion, attend the mediation conference by telephone or, if agreed to by the parties, other electronic means.

(3)(a) Such mediation conference shall be conducted informally and shall does not require the use of formal rules of evidence or procedure. Any information from the files, reports, case summaries, mediator's notes, or other communications or materials, oral or written, relating to a mediation conference under this section obtained by any person performing mediation duties is privileged and confidential and may not be disclosed without the written consent of all parties to the conference. Any research or evaluation effort directed at assessing the mediation program activities or performance must protect the confidentiality of such information. Each party to a mediation conference has a privilege during and after the conference to refuse to disclose and to prevent another from disclosing communications made during the conference whether or not the contested issues are successfully resolved. This subsection and paragraphs 31 (4)(a) and (b) shall not be construed to prevent or inhibit

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the discovery or admissibility of any information that is otherwise subject to discovery or that is admissible under applicable law or rule of procedure, except that any conduct or statements made during a mediation conference or in negotiations concerning the conference are inadmissible in any proceeding under this chapter.

- (b)1. Unless the parties conduct a private mediation under subparagraph 2., mediation shall be conducted by a mediator selected by the Director of the Division of Administrative Hearings from among the mediators shall select a mediator. The mediator shall be employed on a full-time basis by the Office of the Judges of Compensation Claims. A mediator must be a member of The Florida Bar for at least 5 years and must complete a mediation training program approved by the Director of the Division of Administrative Hearings. Adjunct mediators may be employed by the Office of the Judges of Compensation Claims on an as-needed basis and shall be selected from a list prepared by the Director of the Division of Administrative Hearings. An adjunct mediator must be independent of all parties participating in the mediation conference. An adjunct mediator must be a member of The Florida Bar for at least 5 years and must complete a mediation training program approved by the Director of the Division of Administrative Hearings. An adjunct mediator shall have access to the office, equipment, and supplies of the judge of compensation claims in each district.
- 2. In the event the parties agree or in the event no mediators as provided under subparagraph 1. are available to conduct the required mediation within the period specified in this section, the parties shall hold a mediation conference at the carrier's expense within the 90-day period set for

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mediation. The mediation conference shall be conducted by a mediator who is a member in good standing of The Florida Bar with not less than 5 years' experience in the practice of law in this state and who is certified under s. 44.106. If the parties do not agree upon a mediator within 10 days after the date of the order, the claimant shall notify the judge of compensation claims in writing and the judge of compensation claims shall appoint a mediator under this subparagraph within 7 days. In the event both parties agree, the results of the mediation conference shall be binding and neither party shall have a right to appeal the results. In the event either party refuses to agree to the results of the mediation conference, the results of the mediation conference as well as the testimony, witnesses, and evidence presented at the conference shall not be admissible at any subsequent proceeding on the claim. The mediator shall not be called in to testify or give deposition to resolve any claim for any hearing before the judge of compensation claims. The employer may be represented by an attorney at the mediation conference if the employee is also represented by an attorney at the mediation conference.

- complete the pretrial stipulations before the conclusion of the mediation conference if the claims, except for attorney's fees and costs, have not been settled and if any claims in any filed petition remain unresolved. The judge of compensation claims may sanction a party or both parties for failure to complete the pretrial stipulations before the conclusion of the mediation conference.
- (4)(a) If the parties fail to submit written pretrial stipulations at the mediation conference, on the 10th day following commencement of mediation, the questions in dispute

have not been resolved, the judge of compensation claims shall order hold a pretrial hearing to occur within 14 days after the date of mediation ordered by the judge of compensation claims. The judge of compensation claims shall give the interested parties at least 7 days' advance notice of the pretrial hearing by mail. At the pretrial hearing, the judge of compensation claims shall, subject to paragraph (b), set a date for the final hearing that allows the parties at least 60 30 days to conduct discovery unless the parties consent to an earlier hearing date.

- within 90 45 days after the mediation conference is held pretrial hearing. Continuances may be granted only if the requesting party demonstrates to the judge of compensation claims that the reason for requesting the continuance arises from circumstances beyond the party's control. Any order granting a continuance must set forth the date and time of the rescheduled hearing. If a judge of compensation claims grants two or more continuances to a requesting party, the judge of compensation claims shall report such continuances to the Deputy Chief Judge. The written consent of the claimant must be obtained before any request from a claimant's attorney is granted for an additional continuance after the initial continuance has been granted.
- (c) The judge of compensation claims shall give the interested parties at least 7 days' advance notice of the final hearing, served upon the interested parties by mail.
- (d) The $\underline{\text{final}}$ hearing shall be held $\underline{\text{within 210 days}}$ $\underline{\text{after receipt of the petition for benefits}}$ in the county where the injury occurred, if the injury occurred in this state, unless otherwise agreed to between the parties and authorized

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by the judge of compensation claims in the county where the injury occurred. If the injury occurred outside without the state and is one for which compensation is payable under this chapter, then the final hearing above referred to may be held in the county of the employer's residence or place of business, or in any other county of the state that which will, in the discretion of the Deputy Chief Judge, be the most convenient for a hearing. The final hearing shall be conducted by a judge of compensation claims, who shall, within 30 days after final hearing or closure of the hearing record, unless 10 otherwise agreed by the parties, enter a final order on the 11 12 merits of the disputed issues. The judge of compensation 13 claims may enter an abbreviated final order in cases in which 14 compensability is not disputed. Either party may request separate findings of fact and conclusions of law. At the final 15 16 such hearing, the claimant and employer may each present evidence in respect of the claims presented by the petition 17 for benefits such claim and may be represented by any attorney 18 19 authorized in writing for such purpose. When there is a conflict in the medical evidence submitted at the hearing, the 20 provisions of s. 440.13 shall apply. The report or testimony 21 22 of the expert medical advisor shall be made a part of the record of the proceeding and shall be given the same 23 consideration by the judge of compensation claims as is 24 25 accorded other medical evidence submitted in the proceeding; 26 and all costs incurred in connection with such examination and 27 testimony may be assessed as costs in the proceeding, subject 28 to the provisions of s. 440.13. No judge of compensation claims may make a finding of a degree of permanent impairment 29 that is greater than the greatest permanent impairment rating 30 31 given the claimant by any examining or treating physician,

 except upon stipulation of the parties. Any benefit due but not raised at the final hearing which was ripe, due, or owing at the time of the final hearing is waived.

- (e) The order making an award or rejecting the claim, referred to in this chapter as a "compensation order," shall set forth the findings of ultimate facts and the mandate; and the order need not include any other reason or justification for such mandate. The compensation order shall be filed in the Office of the Judges of Compensation Claims at Tallahassee. A copy of such compensation order shall be sent by mail to the parties and attorneys of record at the last known address of each, with the date of mailing noted thereon.
- (f) Each judge of compensation claims is required to submit a special report to the Deputy Chief Judge in each contested workers' compensation case in which the case is not determined within 30 days of final hearing or closure of the hearing record. Said form shall be provided by the director of the Division of Administrative Hearings and shall contain the names of the judge of compensation claims and of the attorneys involved and a brief explanation by the judge of compensation claims as to the reason for such a delay in issuing a final order.
- (g) Notwithstanding any other provision of this section, the judge of compensation claims may require the appearance of the parties and counsel before her or him without written notice for an emergency conference where there is a bona fide emergency involving the health, safety, or welfare of an employee. An emergency conference under this section may result in the entry of an order or the rendering of an adjudication by the judge of compensation claims.

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- To expedite dispute resolution and to enhance the self-executing features of the Workers' Compensation Law, the Deputy Chief Judge shall make provision by rule or order for the resolution of appropriate motions by judges of compensation claims without oral hearing upon submission of brief written statements in support and opposition, and for expedited discovery and docketing. Unless the judge of compensation claims orders a hearing under paragraph (i), claims related to the determination of pay under s. 440.14 shall be resolved under this paragraph.
- (i) To further expedite dispute resolution and to enhance the self-executing features of the system, those petitions filed in accordance with s. 440.192 that involve a claim for benefits of \$5,000 or less shall, in the absence of compelling evidence to the contrary, be presumed to be appropriate for expedited resolution under this paragraph; and any other claim filed in accordance with s. 440.192, upon the written agreement of both parties and application by either party, may similarly be resolved under this paragraph. Claims in a petition for medical benefits only of \$5,000 or less or for medical mileage reimbursement shall, in the absence of compelling evidence to the contrary, be resolved through the expedited dispute resolution process under this paragraph. For purposes of expedited resolution pursuant to this paragraph, the Deputy Chief Judge shall make provision by rule or order for expedited and limited discovery and expedited docketing in such cases. At least 15 days prior to hearing, the parties shall exchange and file with the judge of compensation claims a pretrial outline of all issues, defenses, and witnesses on a form adopted by the Deputy Chief Judge; provided, in no event 31 | shall such hearing be held without 15 days' written notice to

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all parties. No pretrial hearing shall be held. The judge of compensation claims shall limit all argument and presentation of evidence at the hearing to a maximum of 30 minutes, and such hearings shall not exceed 30 minutes in length. Neither party shall be required to be represented by counsel. The employer or carrier may be represented by an adjuster or other qualified representative. The employer or carrier and any witness may appear at such hearing by telephone. The rules of evidence shall be liberally construed in favor of allowing introduction of evidence.

- (j) A judge of compensation claims, either upon the motion of a party or its own motion, may dismiss a petition for lack of prosecution if no petitions, responses, motions, orders, requests for hearings, or notices of deposition have been filed for a period of 12 months, unless good cause is shown. Dismissals for lack of prosecution are without prejudice and do not require a hearing.
- (k) Regardless of the date benefits were initially requested, attorney's fees do not attach under this subsection until 30 days after the date the carrier or employer, if self-insured, receives the petition.

Section 19. Effective July 1, 2002, section 440.271, Florida Statutes, is amended to read:

440.271 Appeal of order of judge of compensation claims.--

(1) Review of any order of a judge of compensation claims entered pursuant to this chapter shall be by appeal to the district court of appeal, First District. Appeals shall be filed in accordance with rules of procedure prescribed by the Supreme Court for review of such orders. The division 31 shall be given notice of any proceedings pertaining to s.

440.25, regarding indigency, or s. 440.49, regarding the Special Disability Trust Fund, and shall have the right to intervene in any proceedings.

- the carrier's expense within 60 days after the filing of the notice of appeal of a final order from a judge of compensation claims. The mediation conference shall be conducted by a mediator with experience in appellate mediation or who is certified under s. 44.106. The appellate proceeding and the preparation of the record shall be stayed until the completion of the mediation conference required by this section.
- (3) The parties and their counsel may, at the mediator's discretion, attend the mediation conference by telephone or, if agreed to by the parties, other electronic means. A continuance may be granted only if the requesting party demonstrates to the judge that the reason for the continuance arises from circumstances beyond the party's control. Any continuance must set forth the date of the rescheduled mediation conference, and must be rescheduled to be completed within 90 days after the filing of the notice of appeal. Mediation conferences under this section may not be used solely for the purpose of mediating attorney's fees.
- (4) Such appellate mediation conferences shall be conducted informally and shall not require the use of formal rules of evidence or procedure. Any information from the files, reports, case summaries, mediator's notes, or communications or materials, oral or written, relating to a mediation conference under this section obtained by any person performing mediation duties is privileged and confidential and may not be disclosed without the written consent of all parties to the conference. Any research or evaluation effort

directed at assessing the mediation program, activities, or performance must protect the confidentiality of such information. Each party to a mediation conference has a privilege during and after the conference to refuse to disclose and to prevent another from disclosing communications made during the conference whether or not the contested issues are successfully resolved. This subsection shall not be construed to prevent or inhibit the discovery or admissability of any information that is otherwise subject to discovery or that is admissible under applicable law or rules of procedure, except that any conduct or statements made during a mediation conference or in negotiations concerning the conference are inadmissible in any proceeding under this chapter.

(5) If the issues which are the subject of the appeal are not resolved by the parties, the appellant shall notify the judge of compensation claims that the appeal needs to proceed forward and the record on appeal needs to be prepared.

Section 20. Subsection (4) of section 440.29, Florida Statutes, is amended to read:

440.29 Procedure before the judge of compensation claims.--

(4) All medical reports of authorized treating health care providers or independent medical examiners whose medical opinion is submitted under s. 440.13(5)(e)relating to the claimant and subject accident shall be received into evidence by the judge of compensation claims upon proper motion.

However, such records must be served on the opposing party at least 30 days before the final hearing. This section does not limit any right of further discovery, including, but not limited to, depositions.

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Section 21. Subsections (1) and (3) of section 440.34, Florida Statutes, are amended, and subsection (7) is added to said section, to read:

440.34 Attorney's fees; costs.--

(1) A fee, gratuity, or other consideration may not be paid for services rendered for a claimant in connection with any proceedings arising under this chapter, unless approved as reasonable by the judge of compensation claims or court having jurisdiction over such proceedings. Except as provided by this subsection, any attorney's fee approved by a judge of compensation claims for services rendered to a claimant must equal to 20 percent of the first \$5,000 of the amount of the benefits secured, 15 percent of the next \$5,000 of the amount of the benefits secured, 10 percent of the remaining amount of the benefits secured to be provided during the first 10 years after the date the claim is filed, and 5 percent of the benefits secured after 10 years. In the case of petitions for medical benefits only However, the judge of compensation claims may approve an additional shall consider the following factors in each case and may increase or decrease the attorney's fee not to exceed \$1,500 per accident based on a reasonable hourly rate, if the judge of compensation claims expressly finds that the attorney's fee, based on benefits secured, fails to fairly compensate the attorney and the circumstances of the particular case warrant such action. In proceedings under paragraph (3)(c), the judge of compensation claims may approve a contingency-based attorney's fee as described in this subsection or an attorney's fee not to exceed \$1,500 based on a reasonable hourly rate, whichever is greater, if the judge of compensation claims expressly finds that the attorney's fee, based on benefits secured, fails to

fairly compensate the attorney and if, in her or his judgment, 1 2 the circumstances of the particular case warrant such action. 3 4 The judge of compensation claims shall not approve a 5 compensation order, a joint stipulation for a lump-sum 6 settlement, a stipulation or agreement between a claimant and 7 his or her attorney, or any other agreement related to 8 benefits under this chapter that provides for an attorney's 9 fee in excess of the amount permitted by this section. + 10 (a) The time and labor required, the novelty and 11 difficulty of the questions involved, and the skill requisite to perform the legal service properly. 12 13 The fee customarily charged in the locality for 14 similar legal services. 15 (c) The amount involved in the controversy and the benefits resulting to the claimant. 16 (d) The time limitation imposed by the claimant or the 17 18 circumstances. 19 (e) The experience, reputation, and ability of the 20 lawyer or lawyers performing services. 21 (f) The contingency or certainty of a fee. 22 (3) If the claimant should prevail in any proceedings before a judge of compensation claims or court, there shall be 23 24 taxed against the employer the reasonable costs of such proceedings, not to include the attorney's fees of the 25 26 claimant. A claimant shall be responsible for the payment of her or his own attorney's fees, except that a claimant shall 27 28 be entitled to recover a reasonable attorney's fee from a 29 carrier or employer:

(a) Against whom she or he successfully asserts a

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not filed or is not entitled to file at such time a claim for disability, permanent impairment, wage-loss, or death benefits, arising out of the same accident; or

- (b) In any case in which the employer or carrier files a response to petition denying benefits with the Office of the Judges of Compensation Claims and the injured person has employed an attorney in the successful prosecution of the petition claim; or
- (c) In a proceeding in which a carrier or employer denies that an <u>accident injury</u> occurred for which compensation benefits are payable, and the claimant prevails on the issue of compensability; or
- (d) In cases where the claimant successfully prevails in proceedings filed under s. 440.24 or s. 440.28.

Regardless of the date benefits were initially requested, attorney's fees shall not attach under this subsection until 30 days after the date the carrier or employer, if self-insured, receives the petition. In applying the factors set forth in subsection (1) to cases arising under paragraphs (a), (b), (c), and (d), the judge of compensation claims must

- only consider only such benefits and the time reasonably spent in obtaining them as were secured for the claimant within the scope of paragraphs (a), (b), (c), and (d).
- (7) As to any settlement under s. 440.20(11)(c), the judge of compensation claims may approve an attorney's fee not to exceed 15 percent of the settlement amount.

Section 22. The amendment to s. 440.271, Florida

Statutes, shall apply to all appeals filed on or after July 1,
2002.

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Section 23. The Board of Governors of the Joint 1 2 Underwriting Plan authorized under s. 627.311(4), Florida 3 Statutes, shall conduct a study with regard to the need for basic insurance coverage to be required of every person 4 5 electing to be exempt from the provisions of chapter 440, 6 Florida Statutes. The study shall, at a minimum, address 7 potential scope of coverage, its cost, and likely 8 availability. The study shall be guided by the principle of 9 providing an affordable insurance product to the maximum number of exemption holders. The study shall be submitted to 10 11 the President of the Senate and the Speaker of the House of 12 Representatives no later than February 1, 2003. 13 Section 24. The amendments to ss. 440.02 and 440.15, Florida Statutes, in this act shall not be construed to affect 14 15 any determination of disability under s. 112.18, s. 112.181, 16 or s. 112.19, Florida Statutes. Section 25. If any provision of this act or its 17 application to any person or circumstance is held invalid, the 18 19 invalidity shall not affect other provisions or applications 20 of the act which can be given effect without the invalid provision or application, and to this end the provisions of 21 22 this act are declared severable. Section 26. Except as otherwise provided herein, this 23 24 act shall take effect January 1, 2003. 25 26 27 28 29 30 31