

Proposed amendments related to:

Section 1: Technical changes to definitions (lines 2, Family Farm; Line 22, relative value fee schedule);

Section 2: RRP oversight for rehab firm appeals (line 27);

Section 3: Notice of cessation of dependency benefits (lines 44 and 62); and

Section 4: Inpatient hospital payment clarification (lines 75).

Sec. 1. 176.011 DEFINITIONS.

Subd. 11a.**Family farm.**

(a) "Family farm" means any farm operation which pays or is obligated to pay cash wages, exclusive of machine hire, to farm laborers for services rendered during the preceding calendar year in an amount:

(1) less than \$8,000; or

(2) less than the statewide average annual wage as described in subdivision ~~20-1b~~ when the farm operation has total liability and medical payment coverage equal to \$300,000 and \$5,000, respectively, under a farm liability insurance policy, and the policy covers injuries to farm laborers.

(b) For purposes of this subdivision, farm laborer does not include any spouse, parent or child, regardless of age, of a farmer employed by the farmer, or any executive officer of a family farm corporation as defined in section 500.24, subdivision 2, or any spouse, parent or child, regardless of age, of such an officer employed by that family farm corporation, or other farmers in the same community or members of their families exchanging work with the employer. Notwithstanding any law to the contrary, a farm laborer shall not be considered as an independent contractor for the purposes of this chapter; provided that a commercial baler or commercial thresher shall be considered an independent contractor.

[For text of Subds. 12—16, see M.S.]

Subd. 17a.**Retraining.** "Retraining" means a formal course of study in a school setting which is designed to train an employee to return to suitable gainful employment.

Subd. 17b. **Relative value fee schedule.** "Relative value fee schedule" means the medical fee schedule adopted by rule, under section 176.136, subd. 1a, using the Physician Fee Schedule tables adopted for the federal Medicare program.

EFFECTIVE DATE. This section is effective the day following final enactment.

Sec. 2. 176.102 REHABILITATION.

Subd. 3.**Review panel.** There is created a rehabilitation review panel composed of the commissioner or a designee, who shall serve as an ex officio member and two members each from employers, insurers, and rehabilitation, two licensed or registered health care providers, one chiropractor, and four members representing labor. The members shall be appointed by the commissioner and shall serve four-year terms which may be renewed. Terms, compensation, and removal for members shall be governed by section 15.0575. Notwithstanding section 15.059, this panel does not expire unless the panel no longer fulfills the purpose for which the panel was

established, the panel has not met in the last 18 months, or the panel does not comply with the registration requirements of section 15.0599, subdivision 3. The panel shall select a chair. The panel shall review and make a determination with respect to appeals from orders of the commissioner regarding certification approval of qualified rehabilitation consultants, qualified rehabilitation consultant firms, and vendors. The hearings are de novo and initiated by the panel under the contested case procedures of chapter 14, and are appealable to the Workers' Compensation Court of Appeals in the manner provided by section 176.421.

EFFECTIVE DATE. This section is effective the day following final enactment.

Sec. 3. 176.111 DEPENDENTS, ALLOWANCES.

Subd. 16.Cessation of compensation.

Except as provided in this chapter, compensation ceases upon the death or marriage of any dependent. Cessation of benefits requires notice pursuant to subdivision 23.

[For text of Subds. 17—21, see M.S.]

Subd. 22.Payments to estate; death of employee.

(a) In every case of death of an employee resulting from personal injury arising out of and in the course of employment where there are no persons entitled to monetary benefits of dependency compensation, the employer shall pay to the estate of the deceased employee the sum of \$60,000. This payment must be made within 14 days of notice to the insurer of one of the following:

(1) the appointment of a personal representative of the estate; or

(2) if there is no personal representative, presentation of a certified death record and an affidavit of collection of personal property according to the requirements of sections 524.3-1201 and 524.3-1202.

(b) Within 14 days of notice to the insurer of the death of the employee, the insurer must send notice to the estate, at the deceased employee's last known address, that this payment will be made after receipt of the documentation in paragraph (a), clause (1) or (2).

Subd. 23.Notice of cessation of dependency benefits.

If an employer intends to discontinue dependency benefits of any individual identified as a dependent in this section, the employer must file with the commissioner, as required under section 176.231, subd. 6 (a) and (e), and serve on the dependent whose benefits are being discontinued written notice within 14 calendar days of discontinuance. The notice shall state the name of the individual whose dependency benefits are being discontinued, the date their benefits will be discontinued and set forth a statement of facts clearly indicating the reason the individual will no longer receive dependency benefits and is no longer considered a dependent under this section. Any document in the employer's possession which is relied on for the discontinuance shall be attached to the notice. Failure to file this form as required may result in a penalty under section 176.231, subd. 10.

EFFECTIVE DATE. This section is effective for violations on or after August 1, 2023.

Sec. 4. 176.1362 INPATIENT HOSPITAL PAYMENT.

Subdivision 1. **Payment based on Medicare MS-DRG system.** (a) Except as

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77 provided in subdivisions 2 and 3, ~~the maximum~~ reimbursement for inpatient hospital services,
78 articles, and supplies is the lesser of the hospital's total usual and customary charge or 200
79 percent of the amount calculated for each hospital under the federal Inpatient Prospective
80 Payment System developed for Medicare, using the inpatient Medicare PC-Pricer program or the
81 inpatient PPS Web Pricer for the applicable MS-DRG as provided in this subdivision. All
82 adjustments included in the PC-Pricer program or the inpatient PPS Web Pricer are included in
83 the amount calculated, including but not limited to any outlier payments.

84 **EFFECTIVE DATE.** This section is effective the day following final enactment.