LC005925

## STATE OF RHODE ISLAND

#### IN GENERAL ASSEMBLY

#### **JANUARY SESSION, A.D. 2022**

#### AN ACT

## RELATING TO LABOR AND LABOR RELATIONS -- WORKERS' COMPENSATION

Introduced By: Senators Ciccone, F Lombardi, McCaffrey, Goodwin, and de la Cruz

Date Introduced: May 19, 2022

Referred To: Senate Labor

It is enacted by the General Assembly as follows:

SECTION 1. Section 16-16-20 of the General Laws in Chapter 16-16 entitled "Teachers'
Retirement [See Title 16 Chapter 97 - The Rhode Island Board of Education Act]" is hereby

3 amended to read as follows:

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## 16-16-20. Deduction of amounts received from workers' compensation or as damages.

Any amount paid or payable under the provisions of any workers' compensation law, exclusive of Medicare set aside allocations, specific compensation benefits or any benefits due pursuant to the terms of a collective bargaining agreement or as the result of any action for damages for personal injuries against the state, on account of the death or disability of a teacher, shall be offset against and payable in lieu of any benefits payable out of funds provided by the state under the provisions of this chapter on account of the death or disability of the teacher. If the value of the total commuted benefits under any workers' compensation law or action is less than the present value on an actuarial basis of the benefits otherwise payable under this chapter, the value of the commuted payments shall be deducted from the present value of the benefits, and the balance thereof shall be payable under the provisions of this chapter.

SECTION 2. Sections 28-35-12 and 28-35-28 of the General Laws in Chapter 28-35 entitled "Workers' Compensation - Procedure" are hereby amended to read as follows:

#### 28-35-12. Petition for determination of controversy -- Contents and filing.

(a) In all disputes between an employer and employee in regard to compensation or any other obligation established under chapters 29 -- 38 of this title, and when death has resulted from

the injury and the dependents of the deceased employee entitled to compensation are, or its apportionment among them is, in dispute, any person in interest, or his or her duly authorized representative, may file with the workers' compensation court a petition, prescribed by the court, setting forth the names and residences of the parties; the facts relating to employment at the time of injury; the cause, extent, and character of the injury; the amount of wages, earnings, or salary received at the time of the injury; and the knowledge of the employer of notice of the occurrence of the injury; and any other facts that may be necessary and proper for the information of the court; and shall state the matter in dispute and the claims of the petitioner with reference to it; provided, that no petition shall be filed within twenty-one (21) days of the date of the injury and no petition regarding any other obligation established under chapters 29 -- 38 of this title shall be filed until twenty-one (21) days after written demand for payment upon the employer or insurer or written notice to the employer or insurer of failure to fulfill the obligation, except that any petition alleging the non-payment or late payment of weekly compensation benefits, attorney's fees, and costs, may be filed after fourteen (14) days from the date the payment is due as set forth in §§ 28-35-42, 28-35-43, and 28-35-20(c). All demands seeking payment of bills for medical services rendered shall include reference to a claim number or a legible copy of the agreement, order, and/or decree, if appropriate, establishing liability. Medical bills for services ordered paid by decree or pretrial order shall be paid within fourteen (14) days of the entry of the decree or order. In the event that the bills are not paid within the fourteen-day (14) period, a petition may be filed to enforce said order or decree without any additional written notice to the employer or insurer.

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(b)(1) If one or more claims are filed for an injury and there are two (2) or more insurers, any one of which may be held to be liable to pay compensation, and the judge determines that the injured employee would be entitled to receive compensation but for the existence of a controversy as to which one of the insurers is liable to pay compensation, one of the insurers shall be selected by a judge of the workers' compensation court, to pay to the injured employee the compensation, pending a final decision of the workers' compensation court as to the matter in controversy, and that decision shall require that the amount of compensation paid shall be deducted from the award if made against another insurer and shall be paid by that other insurer to the insurer selected by the judge.

- (2) The workers' compensation court shall award compensation, costs, and attorney's fees in its discretion if one of the insurers is held to be liable following the hearing.
- (3) In the event multiple attorneys have provided representation to an employee, in connection with an injury claim and an attorney's lien has been filed with the court or the insurance carrier, and there is dispute between the attorneys over the equitable division of any legal fee,

- 1 awarded by the court for legal services rendered on behalf of the employee; the court, upon petition
- 2 by any of the aggrieved attorneys, shall assign the legal fee dispute to the workers' compensation
- 3 <u>court's mediation program, in accordance with the rules and procedures established by the court.</u>
- 4 The employer or its insurer or its claim administrator shall not be joined as a party to the petition.
- 5 <u>In the event the dispute is not resolved in mediation, the mediator shall report to the chief judge of</u>
- 6 the court, that the dispute has not resolved and the petition shall be dismissed, with no further action
- 7 by the court. Nothing herein shall preclude any party or attorney from pursuing any action
- 8 <u>otherwise available.</u>

- (c) If any determination of the workers' compensation court entitles an employee to retroactive payment of weekly benefits, the court shall award to the employee interest at the rate per annum provided in § 9-21-10 on that retroactive weekly payment from six (6) months subsequent to the date that the employee first filed a petition for benefits to the time when that retroactive payment is actually made. If the proceedings are unduly delayed by or at the request of the employee or his or her attorney, the judge may reduce or eliminate interest on retroactive payment; provided, that the provisions of this section as they relate to interest shall apply only to petitions filed on or after July 1, 1984.
- (d) Any fine, penalty, or interest expense incurred by an insurer under this section may not be used as an expense for the purpose of seeking a rate increase before the department of business regulation.

#### 28-35-28. Appeal to appellate division.

(a) Any person aggrieved by the entry of a decree by a trial judge may appeal to the appellate division established pursuant to this section by filing with the court within five (5) days of the date of the entry of a decree, exclusive of Saturdays, Sundays, and holidays, a claim of appeal and, subject to the rules of practice of the court, by filing a request for a transcript of the testimony and ruling or any part thereof desired. Upon a showing of excusable neglect, the trial judge who entered the decree, may extend the time for filing the claim of appeal by any party, for a period not to exceed thirty (30) days from the expiration of the original time prescribed by this section. The request for extension shall be made by motion directed to the trial judge with such notice as the court shall deem appropriate. Such an extension may be granted, before or after the time otherwise prescribed by this section. Within any time that a judge shall fix, either by an original fixing or otherwise, the appellant shall file with the court reasons of appeal stating specifically all matters determined adversely to him or her which he or she desires to appeal, together with so much of the transcript of testimony and rulings as he or she deems pertinent, and within ten (10) days after that the parties may file with the court those briefs and memoranda that they may desire concerning the

appeal. The chief judge shall appoint appellate panels of three (3) members of the court to hear any claim of appeal and the decision of the appellate panel shall be binding on the court. The three (3) members of the appellate panel shall immediately review the decree upon the record of the case and shall file a decision pursuant to the law and the fair preponderance of the evidence within ten (10) days of the expiration of the time within which the parties may file briefs and memoranda. Upon consideration of the appeal, the appellate panel shall affirm, reverse, or modify the decree appealed from, and may itself take any further proceedings that are just, or may remand the matter to the trial judge for further consideration of any factual issue that the appellate division may raise, including the taking of additional evidence or testimony by the trial judge. It shall be within the prerogative of the appellate panel to remand a matter to the trial judge. If the decision requires the entry of a new decree, notice shall be given the parties, and the new decree shall be entered in the same manner as the original decree, but if the decision of two (2) appellate panel judges does not require the entry of a new decree, the decree shall be affirmed. Any member of the appellate panel may, for cause, disqualify himself or herself from hearing any appeal that may come before the appellate panel.

- (b) The findings of the trial judge on factual matters shall be final unless an appellate panel finds them to be clearly erroneous. The court may award costs, including reasonable attorney's fees, to the prevailing party when the appellate panel finds there was complete absence of a justiciable issue of either law or fact.
- SECTION 3. Section 28-53-7 of the General Laws in Chapter 28-53 entitled "Rhode Island Uninsured Protection Fund" is hereby amended to read as follows:

#### 28-53-7. Payments to employees of uninsured employers.

- (a) Where it is determined that the employee was injured in the course of employment while working for an employer who fails to maintain a policy of workers' compensation insurance as required by § 28-36-1 et seq., in accordance with the provisions of this chapter, the uninsured protection fund is authorized to pay the benefits to which the injured employee would be entitled pursuant to chapters 29 -- 38 of this title subject to the limitations set forth herein.
- (b) The workers' compensation court shall hear all petitions for payment from the fund pursuant to § 28-30-1 et seq.; provided, however, that any petition for the commencement of compensation benefits filed against the uninsured protection fund shall be accompanied or preceded by a separate petition for the commencement of compensation benefits timely filed against the uninsured unless the petition to be filed against the uninsured employer is otherwise enjoined or prevented by law.
  - (c) Where an employee is deemed to be entitled to benefits from the uninsured protection

1	fund, the fund shall pay benefits for incapacity as provided pursuant to chapters 29 38 of this title
2	except that the employee shall not be entitled to receive benefits for medical expenses pursuant to
3	the provisions of § 28-33-5 or loss of function and disfigurement pursuant to the provisions of §
4	28-33-19 from the uninsured protection fund. Nothing herein shall affect an employee's right to
5	otherwise recover such benefits for medical expenses, loss of function, and disfigurement from an
6	uninsured employer.

- (d) The fund shall pay costs, counsel, and witness fees, as provided in § 28-35-32, to any employee who successfully prosecutes any petitions for payment; petitions to amend a pretrial order; and all other employee petitions; and to employees who successfully defend, in whole or in part, proceedings seeking to reduce or terminate any and all payments; provided, however, that the attorney's fees awarded to counsel who represent the employee in petitions for lump-sum commutation filed pursuant to § 28-33-25, or in the settlement of disputed cases pursuant to § 28-33-25.1, shall be limited to the maximum amount paid to counsel who serve as court-appointed attorneys in workers' compensation proceedings as established by rule or order of the Rhode Island supreme court. Any payment ordered by the court or due under this section shall not be subject to liens set forth in § 28-33-27(b), nor shall such payments be assignable or subject to assignment in any way.
- (e) In the event that the uninsured employer makes payment of any monies to the employee to compensate the employee in any way for the alleged work injury, the fund may be entitled to a credit for all such monies received by, or on behalf of, the employee, including, but not limited to, monies paid to the employee by any other party for the employee's lost wages against any future benefits payable directly to the employee. The fund shall be entitled to full reimbursement from the uninsured employer for any and all payments made by the fund to the employee, as well as all costs, counsel, and witness fees paid out by the fund in connection with any claim and/or petition, plus any and all costs and attorney's fees associated with collection and reimbursement of the fund.
- 26 (f) All the rights and obligations of § 28-35-58 are preserved to the benefit of the employee
   27 and the fund.
- 28 (f)(g) This section shall apply to injuries that occur on or after September 1, 2019.
- 29 SECTION 4. This act shall take effect upon passage.

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### **EXPLANATION**

#### BY THE LEGISLATIVE COUNCIL

OF

# AN ACT

## RELATING TO LABOR AND LABOR RELATIONS -- WORKERS' COMPENSATION

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1 This act would subtract Medicare set aside allocations, specific compensation benefits and 2 collective bargaining agreement benefits from the list of deductions/offsets from teacher death or 3 disability benefits, would establish an additional option to resolve a dispute over the apportionment 4 of legal fees, between multiple attorneys that have represented the same injured employee, would 5 grant a workers' compensation trial judge, upon the showing of excusable neglect the power to extend the appeal period for their decision, up to an additional thirty (30) days, and would expressly 6 preserve the rights of insured employees, of an uninsured employer, the right to pursue a third-7 8 party claim.

This act would take effect upon passage.

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