

LAWS OF ALASKA 2024

Source HCS CSSB 147(L&C) am H

AN ACT

Relating to workers' compensation reemployment rights and benefits; establishing a workers' compensation stay-at-work program; relating to the workers' compensation benefits guaranty fund; relating to the presumption of compensability for workers' compensation claims related to post-traumatic stress disorder; relating to the Alaska senior benefits payment program; and providing for an effective date.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF ALASKA:

THE ACT FOLLOWS ON PAGE 1

AN ACT

1	Relating to workers' compensation reemployment rights and benefits; establishing a workers'
2	compensation stay-at-work program; relating to the workers' compensation benefits guaranty
3	fund; relating to the presumption of compensability for workers' compensation claims related
4	to post-traumatic stress disorder; relating to the Alaska senior benefits payment program; and
5	providing for an effective date.

7

8 9

10

11

12

13

* Section 1. AS 23.30.005(h) is amended to read:

(h) The department shall adopt rules for all panels [,] and procedures for the periodic selection, retention, and removal of both rehabilitation specialists and physicians under AS 23.30.041, 23.30.043, and 23.30.095, and shall adopt regulations to carry out the provisions of this chapter. The department may by regulation provide for procedural, discovery, or stipulated matters to be heard and decided by the commissioner or a hearing officer designated to represent the commissioner rather

than a panel. If a procedural, discovery, or stipulated matter is heard and decided by the commissioner or a hearing officer designated to represent the commissioner, the action taken is considered the action of the full board on that aspect of the claim. Process and procedure under this chapter shall be as summary and simple as possible. The department, the board₂ or a member of it may for the purposes of this chapter subpoena witnesses, administer or cause to be administered oaths, and [MAY] examine or cause to have examined the parts of the books and records of the parties to a proceeding that relate to questions in dispute. The superior court, on application of the department, the board₂ or any members of it, shall enforce the attendance and testimony of witnesses and the production and examination of books, papers, and records.

* Sec. 2 AS 23.30.041(b) is amended to read:

- (b) The administrator shall
 - (1) enforce regulations adopted by the board to implement this section;
- (2) recommend regulations for adoption by the board that establish performance and reporting criteria for rehabilitation specialists;
- (3) enforce the quality and effectiveness of reemployment benefits provided for under this section;
- (4) review on an annual basis the performance of rehabilitation specialists to determine continued eligibility for delivery of rehabilitation services;
- (5) submit to the department, on or before <u>October 1</u> [MAY 1] of each year, a report of reemployment benefits provided under this section for the previous calendar year; the report must include a general section, sections related to each rehabilitation specialist employed under this section, and a statistical summary of all rehabilitation cases, including
 - (A) the estimated and actual cost of each active rehabilitation plan;
 - (B) the estimated and actual time of each rehabilitation plan;
 - (C) a status report on all individuals requesting, waiving, beginning, completing, or terminating a reemployment benefits program including

1	(1) reasons for denial, waiver, suspension, or
2	termination;
3	(ii) dates of completion and return to work; and
4	(iii) other information required by the director;
5	(D) the cost of reemployment benefits;
6	(E) status reports of all individuals who successfully completed
7	a reemployment plan that includes
8	(i) the plan's occupational goal and whether the
9	individual obtained work after completion in the planned or another
10	occupation; and
11	(ii) the individual's employment status six months, one
12	year, and two years after reemployment plan completion;
13	(6) maintain a list of rehabilitation specialists who meet the
14	qualifications established under this section;
15	(7) promote awareness among physicians, adjusters, injured workers,
16	employers, employees, attorneys, training providers, and rehabilitation specialists of
17	the reemployment program established in this subsection:
18	(8) submit to the department, on or before October 1 of each year,
19	a report of stay-at-work benefits provided under AS 23.30.043 for the previous
20	calendar year; the report must include a general section, sections related to each
21	rehabilitation specialist employed under AS 23.30.043, and a statistical summary
22	of all stay-at-work cases, including
23	(A) the estimated and actual cost of each active stay-at-
24	work plan;
25	(B) the estimated and actual time of each stay-at-work
26	plan;
27	(C) a status report on all individuals requesting, beginning,
28	completing, or terminating a stay-at-work plan, including
29	(i) reasons for denial or termination;
30	(ii) dates of completion and return to work; and
31	(iii) other information required by the director;

1	(D) the cost of stay-at-work benefits;
2	(E) status reports of all individuals who successfully
3	completed a stay-at-work plan that includes
4	(i) the plan's occupational goal and whether the
5	individual returned to work after completion of the stay-at-work
6	plan; and
7	(ii) the individual's employment status six months,
8	one year, and two years after stay-at-work plan completion.
9	* Sec. 3. AS 23.30.041(c) is amended to read:

(c) An employee and an employer may stipulate to the employee's eligibility for reemployment benefits at any time. If an employee suffers a compensable injury and, as a result of the injury, the employee is totally unable, for 25 [45] consecutive days, to return to the employee's employment at the time of injury, the administrator shall notify the employee of the employee's rights under this section within 14 days after the 25th [45TH] day. Within 10 days after the employee receives the administrator's notification of the employee's rights, the employee shall elect, and notify the administrator and the employer of the election, whether to participate in the reemployment benefits process in accordance with this section or the stayat-work benefits program established under AS 23.30.043. Except as provided in AS 23.30.043, if [IF] the employee is totally unable to return to the employee's employment for 90 [60] consecutive days as a result of the injury, the employee or employer may request an eligibility evaluation. The administrator may approve the request if the employee's injury may permanently preclude the employee's return to the employee's occupation at the time of the injury. Except as provided in AS 23.30.043, if [IF] the employee is totally unable to return to the employee's employment at the time of the injury for 120 [90] consecutive days as a result of the injury, the administrator shall, without a request, order an eligibility evaluation unless a stipulation of eligibility was submitted. If the administrator approves a request or orders an evaluation, the administrator shall, on a rotating and geographic basis, select a rehabilitation specialist from the list maintained under (b)(6) of this section to perform the eligibility evaluation. If the person that employs a rehabilitation specialist

10

11

12

13

14

15

16

17

18

19

20

21

22

23

24

25

26

27

28

29

30

selected by the administrator to perform an eligibility evaluation under this subsection is performing any other work on the same workers' compensation claim involving the injured employee, the administrator shall select a different rehabilitation specialist.

* Sec. 4. AS 23.30.041(d) is amended to read:

- (d) Within <u>60</u> [30] days after the referral by the administrator, the rehabilitation specialist shall perform the eligibility evaluation and issue a report of findings. [THE ADMINISTRATOR MAY GRANT UP TO AN ADDITIONAL 30 DAYS FOR PERFORMANCE OF THE ELIGIBILITY EVALUATION UPON NOTIFICATION OF UNUSUAL AND EXTENUATING CIRCUMSTANCES AND THE REHABILITATION SPECIALIST'S REQUEST.] Within 14 days after receipt of the report from the rehabilitation specialist, the administrator shall notify the parties of the employee's eligibility for reemployment preparation benefits. Within 10 days after the decision, either party may seek review of the decision by requesting a hearing under AS 23.30.110. The hearing shall be held within 30 days after <u>the hearing</u> [IT] is requested. The board shall uphold the decision of the administrator except for abuse of discretion on the administrator's part.
- * Sec. 5. AS 23.30.041(e) is amended to read:
 - (e) An employee shall be eligible for benefits under this section upon the employee's written request and by having a physician predict that the employee will have permanent physical capacities that are less than the physical demands of the employee's job as described in the <u>job analysis obtained from the most recent version of the Occupational Information Network database published by the United States Department of Labor, Employment and Training Administration, [1993 EDITION OF THE UNITED STATES DEPARTMENT OF LABOR'S "SELECTED CHARACTERISTICS OF OCCUPATIONS DEFINED IN THE REVISED DICTIONARY OF OCCUPATIONAL TITLES"] for</u>
 - (1) the employee's job at the time of injury; or
 - (2) other jobs that exist in the labor market that the employee has held or received training for within 10 years before the injury or that the employee has held following the injury for a period long enough to obtain the skills to compete in the labor market. [, ACCORDING TO SPECIFIC VOCATIONAL PREPARATION

1	CODES AS DESCRIBED IN THE 1993 EDITION OF THE UNITED STATES
2	DEPARTMENT OF LABOR'S "SELECTED CHARACTERISTICS OF
3	OCCUPATIONS DEFINED IN THE REVISED DICTIONARY OF
4	OCCUPATIONAL TITLES."]
5	* Sec. 6. AS 23.30.041(f) is amended to read:
6	(f) An employee is not eligible for reemployment benefits if
7	(1) the employer offers employment within the employee's predicted
8	post-injury physical capacities at a wage equivalent to at least the state minimum wage
9	under AS 23.10.065 or 75 percent of the worker's gross hourly wages at the time of
10	injury, whichever is greater, and the employment prepares the employee to be
11	employable in other jobs that exist in the labor market;
12	(2) the employee previously declined the development of a
13	reemployment benefits plan under (g) of this section, received a job dislocation benefit
14	under (g)(2) of this section, and returned to work in the same or similar occupation in
15	terms of physical demands required of the employee at the time of the previous injury;
16	(3) the employee has been previously rehabilitated in a former
17	workers' [WORKER'S] compensation claim and returned to work in the same or
18	similar occupation in terms of physical demands required of the employee at the time
19	of the previous injury; [OR]
20	(4) at the time of medical stability, no permanent impairment is
21	identified or expected:
22	(5) the employee fails to timely notify the administrator and the
23	employer of the employee's election under (c) of this section, unless the parties
24	submit to the administrator a stipulation to a reemployment benefits eligibility
25	evaluation or to the employee's eligibility for reemployment benefits;
26	(6) the employee completed a stay-at-work plan under
27	<u>AS 23.30.043; or</u>
28	(7) the employee has not cooperated with the stay-at-work benefits
29	program under AS 23.30.043(<i>l</i>).
30	* Sec. 7. AS 23.30.041(h) is amended to read:
31	(h) Within 90 days after the rehabilitation specialist is selected or assigned

1	[SPECIALIST'S SELECTION] under (g) of this section, the renabilitation specialist
2	shall prepare and provide to the employee and employer a complete
3	reemployment plan [MUST BE FORMULATED AND APPROVED]. The
4	reemployment plan must require continuous participation by the employee and must
5	maximize the usage of the employee's transferrable skills. The reemployment plan
6	must include at least the following:
7	(1) a determination of the occupational goal in the labor market;
8	(2) an inventory of the employee's technical skills, transferrable skills,
9	physical and intellectual capacities, academic achievement, emotional condition, and
10	family support;
11	(3) a plan to acquire the occupational skills to be employable: the plan
12	must consider use of training and employment services offered by the
13	Department of Labor and Workforce Development under AS 23.15;
14	(4) the cost estimate of the reemployment plan, including
15	(A) provider fees;
16	(B) [AND THE COST OF] tuition;
17	<u>(C)</u> [,] books <u>:</u>
18	(D) [,] tools [,] and supplies:
19	(E) [,] transportation;
20	(F) [,] temporary lodging:
21	(G) [, OR] job modification devices; and
22	(H) job search and job placement activities;
23	(5) the estimated length of time that the plan will take;
24	(6) the date that the plan will commence;
25	(7) the estimated time of medical stability as predicted by a treating
26	physician or by a physician who has examined the employee at the request of the
27	employer or the board, or by referral of the treating physician;
28	(8) a detailed description and plan schedule;
29	(9) a finding by the rehabilitation specialist that the inventory under (2)
30	of this subsection indicates that the employee can be reasonably expected to
31	satisfactorily complete the plan and perform in a new occupation within the time and

cost limitations of the plan; and

(10) a provision requiring that, after a person has been assigned to perform medical management services for an injured employee, the person shall send written notice to the employee, the employer, and the employee's physician explaining in what capacity the person is employed, whom the person represents, and the scope of the services to be provided.

* **Sec. 8.** AS 23.30.041(j) is amended to read:

- (j) The rehabilitation specialist shall serve the reemployment plan on the employee and employer. If the employee and employer agree to the plan, the [THE] employee, rehabilitation specialist, and the employer shall sign the reemployment benefits plan. If the employer and employee fail to agree on a reemployment plan, either party may submit a reemployment plan for approval to the administrator not later than 90 days after the date of service of the reemployment plan on the employee and employer. The plan must ensure remunerative employability. The [; THE] administrator shall approve or deny a plan submitted under this subsection within 14 days after the plan is submitted. Within [; WITHIN] 10 days after [OF] the decision, either party may seek review of the decision by requesting a hearing under AS 23.30.110. The [; THE] board shall
- (1) uphold the decision of the administrator unless evidence is submitted supporting an allegation of abuse of discretion on the part of the administrator; and
- (2) [THE BOARD SHALL] render a decision within 30 days after completion of the hearing.
- * **Sec. 9.** AS 23.30.041(*l*) is amended to read:
 - (*l*) The cost of the reemployment plan incurred under this section shall be the responsibility of the employer, shall be paid on an expense incurred basis, and may not exceed \$22,150. The department shall, by regulation and not less than once every five years, adjust the cost limit set out in this subsection to account for inflation [\$13,300].
- * Sec. 10. AS 23.30.041 is amended by adding a new subsection to read:
 - (s) In addition to the benefits provided to an employee under a reemployment

plan prepared under this section, an employee who elects to use reemployment benefits under this section is entitled to payment by the employer of costs incurred for specialized job modification devices or services and reasonable travel and relocation expenses associated with searching for new employment, returning to work in a new location, and attendance at an on-the-job training program. The employer shall pay the cost of the additional benefits incurred under this subsection on an expense incurred basis. The cost of the additional benefits incurred under this subsection may not exceed \$4,000 and may not, when combined with the cost of the reemployment plan incurred under this section, exceed the cost limit set out in (*l*) of this section.

* Sec. 11. AS 23.30 is amended by adding a new section to article 1 to read:

Sec. 23.30.043. Stay-at-work benefits program. (a) The stay-at-work benefits program is established in the division. The division shall designate a member of the division staff as coordinator of the stay-at-work benefits program.

- (b) Within 14 days after an employee's election under AS 23.30.041(c) to participate in the program, the administrator shall, on a rotating and geographic basis, select a rehabilitation specialist from the list maintained under AS 23.30.041(b)(6) to develop a stay-at-work plan and provide services under the plan. In selecting a rehabilitation specialist, the administrator shall consider the rehabilitation specialist's ability to accept and promptly provide program services and the rehabilitation specialist's expertise and relevant experience relating to the employee's type of injury or challenges specific to returning the employee to work with the employer. If the person that employs a rehabilitation specialist selected by the administrator is performing any other work on the same workers' compensation claim involving the employee, the administrator shall select a different rehabilitation specialist.
- (c) Within 60 days after the administrator selects the rehabilitation specialist, the rehabilitation specialist shall
- (1) develop a stay-at-work plan and provide the plan, in a format prescribed by the director, to the employee, employer, program coordinator, and employee's attending physician; or
- (2) provide the employee, employer, and administrator with a determination and findings supporting the determination, in a format prescribed by the

director, that the rehabilitation specialist is unable to develop a stay-at-work plan.

- (d) The board shall establish by regulation the standards and procedures a rehabilitation specialist must use in developing a stay-at-work plan and the contents that the plan must include.
- (e) The employee's attending physician shall provide a written opinion of whether the employee has the permanent physical capacities to participate in a stay-at-work plan. The failure of the employee's attending physician to provide an opinion under this subsection constitutes grounds for a determination that the rehabilitation specialist is unable to develop a stay-at-work plan under (c)(2) of this section.
- (f) Within 14 days after the program coordinator receives a stay-at-work plan, the program coordinator shall approve or deny the plan and notify the parties of the decision. Within 30 days after the program coordinator notifies the parties under this subsection, a party may request that the administrator review the plan. Within 14 days after the administrator receives a request to review the plan, the administrator shall issue a decision approving or denying the plan.
- (g) Within 14 days after the administrator receives a determination under (c)(2) of this section, the administrator shall decide whether the information in the board's case file for the employee's workers' compensation claim supports the rehabilitation specialist's determination and findings. If the administrator decides the case file supports the rehabilitation specialist's determination and findings, the administrator shall, within 10 days after the administrator's decision, notify the employee and employer of the decision and notify the employee that the employee is no longer eligible for stay-at-work benefits and may pursue reemployment benefits in accordance with AS 23.30.041. If the administrator decides the case file does not support the rehabilitation specialist's determination and findings, the administrator shall, within 10 days after the administrator's decision, notify the employee, employer, and rehabilitation specialist of the decision and
- (1) notify the employee, employer, and rehabilitation specialist what additional information is needed to develop a stay-at-work plan, who must submit the information, and the date by which the information must be submitted; or
 - (2) select a different rehabilitation specialist in accordance with (b) of

this section to develop a stay-at-work plan and provide services under the plan.

- (h) Within 10 days after the administrator notifies the parties of a decision under (f) or (g) of this section, a party may seek review of the decision by requesting a hearing under AS 23.30.110. The board shall uphold the decision of the administrator unless evidence is submitted supporting an allegation of abuse of discretion on the part of the administrator. The board shall render a decision within 30 days after completion of the hearing.
- (i) Only a rehabilitation specialist may develop a stay-at-work plan, provide services under the plan, and make a determination and findings under this section. A person who is not a rehabilitation specialist may perform work related to the stay-at-work plan if the work is performed under the direct supervision of a rehabilitation specialist employed in the same firm and location. The employer shall pay the fees charged by the rehabilitation specialist or other person described in this subsection for providing services under this section.
- (j) The cost of the stay-at-work benefits incurred under this section shall be the responsibility of the employer, shall be paid on an expense incurred basis, and may not exceed \$3,000, exclusive of the fees charged by the rehabilitation specialist or other person described in (i) of this section.
- (k) Stay-at-work benefits terminate two years from the date the program coordinator, administrator, or board approves the stay-at-work plan, whichever is later.
- (*l*) After the employee has elected to participate in the program, and upon the request of the employer, the administrator shall decide whether the employee has not cooperated in the program. The administrator shall hold a hearing within 30 days after the administrator receives a request from the employer for a hearing. The administrator shall issue a decision within 14 days after the hearing. Within 10 days after the administrator notifies the parties of the decision, either party may seek review of the decision by requesting a hearing under AS 23.30.110. The board shall uphold the decision of the administrator unless evidence is submitted supporting an allegation of abuse of discretion on the part of the administrator. The board shall render a decision within 30 days after completion of the hearing. If the employee is found to have not cooperated with the program, the employer may terminate stay-at-work

1	benefits and disability benefits on the date on which a finding of noncooperation is
2	made under this subsection. Noncooperation means the employee's unreasonable
3	failure to
4	(1) maintain contact with the rehabilitation specialist;
5	(2) cooperate with the rehabilitation specialist in developing a stay-at-
6	work plan;
7	(3) comply with the employee's responsibilities outlined in the stay-at-
8	work plan; or
9	(4) participate in the stay-at-work plan or in a plan activity.
10	(m) An employee is not eligible for stay-at-work benefits if the employee fails
11	to timely notify the administrator and the employer of the employee's election under
12	AS 23.30.041(c), unless the parties submit to the administrator a stipulation that the
13	employee may participate in the program.
14	(n) An employer may elect not to participate or continue to participate in a
15	stay-at-work plan at any time before the employee completes the plan. If an employer
16	elects not to participate under this subsection, the employer shall notify the employee,
17	the program coordinator, and, if applicable, the rehabilitation specialist of the election.
18	The notice must be in the format prescribed by the director and inform the employee
19	that the employee is no longer eligible for stay-at-work benefits and may pursue
20	reemployment benefits in accordance with AS 23.30.041. The notice of the election is
21	effective the day after the notice is served on the employee, the program coordinator,
22	or, if applicable, the rehabilitation specialist, whichever is later. The employer is
23	responsible for the cost of the stay-at-work benefits incurred before the notice
24	becomes effective.
25	(o) In this section,
26	(1) "administrator" means the reemployment benefits administrator
27	employed under AS 23.30.041(a);
28	(2) "plan" or "stay-at-work plan" means a plan developed by a
29	rehabilitation specialist under this section to return an employee to work for the
30	employer;

31

(3) "program" means the stay-at-work benefits program established in

this	section;

- 2 (4) "program coordinator" means the division staff member designated 3 as the coordinator of the program;
 - (5) "rehabilitation specialist" has the meaning given in AS 23.30.041(r);
 - (6) "stay-at-work benefits" means benefits provided under the program.
 - * **Sec. 12.** AS 23.30.082(a) is amended to read:
 - (a) The workers' compensation benefits guaranty fund is established <u>as a separate fund</u> in the <u>state treasury</u> [GENERAL FUND] to carry out the purposes of this section. The fund is composed of civil penalty payments made by employers under AS 23.30.080, income earned on investment of the money in the fund, money deposited in the fund by the department, and appropriations to the fund, if any. However, money appropriated to the fund does not lapse. Amounts in the fund may be appropriated for claims against the fund, for expenses directly related to fund operations and claims, and for legal expenses.
 - * **Sec. 13.** AS 23.30.100(a) is amended to read:
 - (a) Notice <u>to an employer</u> of an injury or death in respect to which compensation is payable under this chapter shall be given within <u>15</u> [30] days after the date of <u>the</u> [SUCH] injury or death [TO THE EMPLOYER].
 - * **Sec. 14.** AS 23.30.105(a) is amended to read:
 - (a) The right to compensation for disability under this chapter is barred unless a claim for it is filed within two years after the employee has knowledge of the nature of the employee's disability and its relation to the employment and after disablement. However, the maximum time for filing the claim in any event other than arising out of an occupational disease shall be four years from the date of injury, and the right to compensation for death is barred unless a claim therefor is filed within one year after the death, except that, if payment of compensation has been made without an award on account of the injury or death, a claim may be filed within two years after the date of the last payment of benefits under AS 23.30.041, 23.30.043, 23.30.180, 23.30.185, 23.30.190, 23.30.200, or 23.30.215. It is additionally provided that, in the case of

1	latent defects pertinent to and causing compensable disability, the injured employee
2	has full right to claim as shall be determined by the board, time limitations
3	notwithstanding.
4	* Sec. 15. AS 23.30 is amended by adding a new section to read:
5	Sec. 23.30.118. Presumption of compensability for post-traumatic stress
6	disorder. (a) There is a presumption that an employee's claim for compensation as a
7	result of post-traumatic stress disorder is within the provisions of this chapter if the
8	employee
9	(1) is employed or was employed in an occupation listed in (b)(2) of
10	this section; and
11	(2) while employed or within three years after the last date of the
12	employee's employment, receives a diagnosis by a psychiatrist or a psychologist of
13	post-traumatic stress disorder.
14	(b) The presumption of compensability described in (a) of this section
15	(1) may be rebutted by a preponderance of the evidence that the
16	employee's post-traumatic stress disorder resulted from factors that were not work
17	related;
18	(2) applies only to the following employees:
19	(A) correctional officers;
20	(B) emergency medical technicians;
21	(C) emergency medical dispatchers;
22	(D) firefighters;
23	(E) mobile intensive care paramedics licensed under AS 18.08;
24	(F) peace officers; and
25	(G) employees who are certified under state law to perform
26	emergency medical services; and
27	(3) notwithstanding AS 23.30.100(a), applies for a period of three
28	years following the last date of the employee's employment.
29	(c) In this section,
30	(1) "correctional officer" has the meaning given in AS 18.65.290;
31	(2) "emergency medical dispatcher" has the meaning given in

I	AS 18.08.200;
2	(3) "emergency medical service" has the meaning given in
3	AS 18.08.200;
4	(4) "emergency medical technician" has the meaning given in
5	AS 18.08.200;
6	(5) "firefighter" has the meaning given in AS 23.30.121(f);
7	(6) "peace officer" has the meaning given in AS 11.81.900(b).
8	* Sec. 16. AS 23.30.120(c) is amended to read:
9	(c) Except as provided in AS 23.30.118, the [THE] presumption o
10	compensability established in (a) of this section does not apply to a mental injury
11	resulting from work-related stress.
12	* Sec. 17. AS 23.30.041(p) is repealed.
13	* Sec. 18. Section 4, ch. 1, FSSLA 2007, as amended by sec. 5, ch. 6, SLA 2011, sec. 1, ch
14	113, SLA 2014, and sec. 1, ch. 8, SLA 2018, is amended to read:
15	Sec. 4. AS 09.38.015(a)(11); AS 47.45.301, 47.45.302, 47.45.304, 47.45.306
16	47.45.308, and 47.45.309 are repealed June 30, 2034 [2024].
17	* Sec. 19. Section 18 of this Act takes effect immediately under AS 01.10.070(c).
18	* Sec. 20. Except as provided in sec. 19 of this Act, this Act takes effect January 1, 2025.