



2009 ASSEMBLY BILL 586

November 18, 2009 – Introduced by Representatives SHERMAN, CLARK and TURNER, cosponsored by Senators TAYLOR and GROTHMAN. Referred to Committee on Jobs, the Economy and Small Business.

1 **AN ACT** *to renumber and amend* 102.27 (2) (b); and *to create* 102.27 (2) (b) 1.
2 and 102.27 (2) (c) of the statutes; **relating to:** reimbursement of a
3 governmental unit that provides public assistance to pay medical costs
4 occasioned by an injury for which worker's compensation is claimed and
5 payment of a percentage of that reimbursement to an injured employee's
6 attorney who obtains an award of worker's compensation for that injury.

Analysis by the Legislative Reference Bureau

Under current law, if a governmental unit provides public assistance to pay medical costs or living expenses related to a claim for worker's compensation and if the governmental unit has given the parties to the claim written notice stating that it provided the assistance and the amount of the assistance provided, the employer or insurance carrier owing the worker's compensation is required to reimburse the governmental unit for the amount of the assistance provided or for two-thirds of the amount of the worker's compensation award remaining after deduction of attorney fees and other fees and costs payable under the worker's compensation law (costs and attorney fees), whichever is less.

This bill requires an employer or insurance carrier owing worker's compensation to reimburse a governmental unit that provides public assistance to pay medical costs occasioned by an injury for which worker's compensation is claimed, and that provides *a party* to the claim written notice stating that it provided

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the assistance and *an itemized statement* of the amount of assistance provided, as follows:

1. For the amount of public assistance the governmental unit provided or for the amount of the liability of the employer or insurance carrier for medical costs under the worker's compensation law (without deducting costs and attorney fees), whichever is less, if the award or payment results from a hearing on the claim or from a default.

2. For the amount of public assistance the governmental unit provided, for two-thirds of the amount of the worker's compensation award (without deducting costs and attorney fees), or for an amount agreed to by the governmental unit, whichever is less, if the award or payment results from a compromise or stipulation.

The bill also requires a governmental unit that receives reimbursement as provided in the bill to pay to any attorney or other representative of an injured employee who obtained the worker's compensation award from which the reimbursement is made 20 percent of the amount of reimbursement recovered for the governmental unit.

For further information see the *state and local* fiscal estimate, which will be printed as an appendix to this bill.

The people of the state of Wisconsin, represented in senate and assembly, do enact as follows:

1 **SECTION 1.** 102.27 (2) (b) of the statutes is renumbered 102.27 (2) (b) (intro.)
2 and amended to read:
3 102.27 **(2)** (b) (intro.) If a governmental unit provides public assistance under
4 ch. 49 to pay medical costs ~~or living expenses related to a claim~~ occasioned by an
5 injury for which compensation is claimed under this chapter and provides a party to
6 the claim with written notice stating that the governmental unit has provided the
7 assistance and an itemized statement of the cost of the assistance provided, the
8 employer or insurance carrier owing compensation or the department owing
9 payments under s. 102.81 shall reimburse that governmental unit any compensation
10 awarded or paid if ~~the governmental unit has given the parties to the claim written~~
11 ~~notice stating that it provided the assistance and the cost of the assistance provided.~~
12 Reimbursement shall equal the lesser of either as follows:

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1 2. For the amount of assistance the governmental unit provided or, for
2 two-thirds of the amount of the award or payment remaining after deduction of
3 attorney fees and any other fees or costs chargeable under ch. 102. The department
4 shall comply with this paragraph when making payments under s. 102.81, or for an
5 amount agreed to by the governmental unit, whichever is less, if the award or
6 payment results from a compromise or stipulation.

7 **SECTION 2.** 102.27 (2) (b) 1. of the statutes is created to read:

8 102.27 **(2)** (b) 1. For the amount of assistance the governmental unit provided
9 or for the amount of the liability of the employer, insurance carrier, or department
10 for medical costs under this chapter, whichever is less, if the award or payment
11 results from a hearing on the claim or from a default.

12 **SECTION 3.** 102.27 (2) (c) of the statutes is created to read:

13 102.27 **(2)** (c) Notwithstanding s. DWD 80.43 (2), Wis. Adm. Code, a
14 governmental unit that receives reimbursement under par. (b) shall pay to any
15 attorney or other representative of an injured employee who obtained the
16 compensation awarded or paid 20 percent of the amount of reimbursement recovered
17 for that governmental unit.

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(END)