

State of Misconsin LEGISLATIVE REFERENCE BUREAU

RESEARCH APPENDIX PLEASE DO NOT REMOVE FROM DRAFTING FILE

Date Transfer Requested: 01/06/2015

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© Compile Draft – Appendix E ... Part IV

Appendix A [™] The 2015 drafting file for LRB–0797

Appendix B [™] The <u>2015</u> drafting file for LRB–0799

Appendix C [™] The 2015 drafting file for LRB–0800

Appendix D [™] The 2015 drafting file for LRB-0852

Appendix E [™] The <u>2015</u> drafting file for LRB–0872

Appendix F [™] The <u>2015</u> drafting file for LRB–0906

Appendix G [™] The <u>2015</u> drafting file for LRB–0941

has been copied/added to the drafting file for

2015 LRB-0807



State of Misconsin 2015 - 2016 LEGISLATURE



PRELIMINARY DRAFT - NOT READY FOR INTRODUCTION

AN ACT ...; relating to: the budget.

Analysis by the Legislative Reference Bureau EMPLOYMENT

Under current law, DWD performs certain administrative functions relating to worker's compensation. Those administrative functions include enforcement of the requirement that employers are insured for their worker's compensation liability; granting exemptions from that duty to insure to self-insured employers; administering the self-insured employers fund, from which DWD pays benefits to the injured employees of insolvent self-insured employers; administering the uninsured employers fund, from which DWD pays benefits to the injured employees of uninsured employers; and administering the work injury supplemental benefits fund, from which DWD pays supplemental benefits to certain injured employees with permanent total disability. This bill transfers the administrative functions of DWD relating to worker's compensation to the Department of Financial Institutions, Insurance, and Professional Standards (DFIIPS).

Under current law, DWD performs certain adjudicatory functions relating to worker's compensation. Those adjudicatory functions include adjudicating disputed worker's compensation claims, adjudicating disputes over the reasonableness of fees charged for health services provided to an injured employee and of the amount charged for prescription drugs dispensed to an injured employee, and adjudicating disputes over the necessity of treatment provided to an injured employee. This bill transfers the adjudicatory functions of DWD relating to worker's compensation to the Division of Hearings and Appeals in DOA.

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

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

1 **Section 1.** 15.177 (title) of the statutes is created to read: 2 15.177 (title) Same; councils. 3 SECTION 2. 15.227 (4) of the statutes is renumbered 15.177 (4) and amended to read: 5 15.177 (4) COUNCIL ON WORKER'S COMPENSATION. There is created in the 6 department of workforce development financial institutions, insurance, and 7 professional standards a council on worker's compensation appointed by the 8 secretary of workforce development financial institutions, insurance, and 9 professional standards to consist of a designated employee of the department of 10 workforce development financial institutions, insurance, and professional standards 11 as chairperson, 5 representatives of employers, and 5 representatives of employees. 12 The secretary of workforce development financial institutions, insurance, and 13 professional standards shall also appoint 3 representatives of insurers authorized to 14 do worker's compensation insurance business in this state as nonvoting members of 15 the council. 16 SECTION 3. 15.227 (11) of the statutes is renumbered 15.177 (11) and amended 17 to read: 18 15.177 (11) Self-insurers council. There is created in the department of 19 workforce development financial institutions, insurance, and professional standards 20 a self-insurers council consisting of 5 members appointed by the secretary of

1	workforce development financial institutions, insurance, and professional standards
2	for 3-year terms.
3	SECTION 4. 16.865 (4) of the statutes is amended to read:
4	16.865 (4) Manage the state employees' worker's compensation program and
5	the statewide self-funded programs to protect the state from losses of and damage
6	to state property and liability and, if retained by the department of workforce
7	development financial institutions, insurance, and professional standards under s.
8	102.65 (3), process, investigate, and pay claims under ss. 102.44 (1), 102.49, 102.59,
9	and 102.66 as provided in s. 102.65 (3).
10	SECTION 5. 20.142 (3) (title) of the statutes is created to read:
11	20.142 (3) (title) Supervision of insurance industry services.
	****NOTE: This Section involves a change in an appropriation that must be reflected in the revised schedule in s. 20.005, stats.
12	SECTION 6. 20.142 (3) (ka) of the statutes is created to read:
13	20.142 (3) (ka) Interagency and intra-agency agreements. All moneys received
14	through contracts or financial agreements from other state agencies for the provision
15	of services to those state agencies and all moneys received by the department from
16	the department for the provision of services to the department for the purpose of
17	providing the services.
	****NOTE: This Section involves a change in an appropriation that must be reflected in the revised schedule in s. 20.005, stats.
18	SECTION 7. 20.445 (1) (aa) of the statutes is renumbered 20.142 (3) (aa).
	****NOTE: This Section involves a change in an appropriation that must be reflected in the revised schedule in s. 20.005, stats.
19	SECTION 8. 20.445 (1) (ga) of the statutes is amended to read:

1	20.445 (1) (ga) Auxiliary services. All moneys received from fees collected
2	under ss. 102.16 (2m) (d), 103.005 (15) and 106.09 (7) for the delivery of services
3	under ss. 102.16 (2m) (f), 103.005 (15) and 106.09 and ch. 108.
4	SECTION 9. 20.445 (1) (p) of the statutes is renumbered 20.142 (3) (p).
	****NOTE: This Section involves a change in an appropriation that must be reflected in the revised schedule in s. 20.005, stats.
5	SECTION 10. 20.445 (1) (ra) of the statutes is renumbered 20.142 (3) (ra) and
6	amended to read:
7	20.142 (3) (ra) Worker's compensation operations fund; administration. From
8	the worker's compensation operations fund, the amounts in the schedule for the
9	administration of the worker's compensation program by the department and for
10	transfer to the appropriation accounts under par. (rp) and $\frac{\text{sub.}(2)}{\text{ss.}}$ $\frac{\text{ss.}}{20.445}$ $\frac{\text{(2)}}{\text{(ra)}}$
11	and 20.505 (4) (ra). All moneys received under ss. 102.28 (2) (b) and 102.75 shall be
12	credited to this appropriation account. From this appropriation, an amount not to
13	exceed \$5,000 may be expended each fiscal year for payment of expenses for travel
14	and research by the council on worker's compensation, the amount in the schedule
15	under par. (rp) shall be transferred to the appropriation account under par. (rp), and
16	the amount in the schedule under $\frac{\text{sub.}(2)}{\text{s. }20.445(2)}$ (ra) shall be transferred to the
17	appropriation account under sub. (2) s. 20.445 (2) (ra), and the amount in the
18	schedule under s. 20.505 (4) (ra) shall be transferred to the appropriation account
19	<u>under s. 20.505 (4) (ra)</u> .
	****NOTE: This Section involves a change in an appropriation that must be reflected in the revised schedule in s. 20.005, stats.
20	SECTION 11. 20.445 (1) (rb) of the statutes is renumbered 20.142 (3) (rb).
	****NOTE: This Section involves a change in an appropriation that must be reflected in the revised schedule in s. 20.005, stats.
21	SECTION 12. 20.445 (1) (rp) of the statutes is renumbered 20.142 (3) (rp).

	reflected in the revised schedule in s. 20.005, stats.
1	Section 13. 20.445 (1) (s) of the statutes is renumbered 20.142 (3) (s).
	****NOTE: This Section involves a change in an appropriation that must be reflected in the revised schedule in s. 20.005, stats.
2	Section 14. 20.445 (1) (sm) of the statutes is renumbered 20.142 (3) (sm) and
3	amended to read:
4	20.142 (3) (sm) Uninsured employers fund; payments. From the uninsured
5	employers fund, a sum sufficient to make the payments under s. 102.81 (1) and to
6	obtain reinsurance under s. 102.81 (2). No moneys may be expended or encumbered
7	under this paragraph until the first day of the first July beginning after the day that
8	the secretary of workforce development financial institutions, insurance, and
9	professional standards files the certificate under s. 102.80 (3) (a).
	****NOTE: This Section involves a change in an appropriation that must be reflected in the revised schedule in s. 20.005, stats.
10	SECTION 15. 20.445 (1) (t) of the statutes is renumbered 20.142 (3) (t).
	****Note: This Section involves a change in an appropriation that must be reflected in the revised schedule in s. 20.005, stats.
11	SECTION 16. 20.445 (2) (ra) of the statutes is amended to read:
12	20.445 (2) (ra) Worker's compensation operations fund; worker's compensation
13	activities. From the worker's compensation operations fund, the amounts in the
14	schedule for the worker's compensation activities of the labor and industry review
15	commission. All moneys transferred from the appropriation account under sub. (1)
16	s. 20.142 (3) (ra) shall be credited to this appropriation account.
17	SECTION 17. 20.505 (4) (ga) of the statutes is created to read:
18	20.505 (4) (ga) Auxiliary services. All moneys received from fees collected
19	under s. 102.16 (2m) (d) for the delivery of services under s. 102.16 (2m) (f).
	****Note: This Section involves a change in an appropriation that must be reflected in the revised schedule in s. 20.005, stats.

****NOTE: This draft creates s. 20.505 (4) (ga) instead of s. 20.142 (3) (ga) because under the draft DHA, not DFIIPS, collects fees for adjudicating necessity of treatment disputes.

SECTION 18. 20.505 (4) (ra) of the statutes is created to read:

20.505 (4) (ra) Worker's compensation operations fund; worker's compensation activities. From the worker's compensation operations fund, the amounts in the schedule for the worker's compensation activities of the division of hearings and appeals. All moneys transferred from the appropriation account under s. 20.142 (3) (ra) shall be credited to this appropriation account.

****NOTE: This Section involves a change in an appropriation that must be reflected in the revised schedule in s. 20.005, stats.

SECTION 19. 40.63 (6) of the statutes is amended to read:

40.63 (6) Any person entitled to payments under this section who may otherwise be entitled to payments under s. 66.191, 1981 stats., may file with the department of employee trust funds and the department of workforce development financial institutions, insurance, and professional standards a written election to waive payments due under this section and accept in lieu of the payments under this section payments as may be payable under s. 66.191, 1981 stats., but no person may receive payments under both s. 66.191, 1981 stats., and this section. However any person otherwise entitled to payments under this section may receive the payments, without waiver of any rights under s. 66.191, 1981 stats., during any period as may be required for a determination of the person's rights under s. 66.191, 1981 stats. Upon the final adjudication of the person's rights under s. 66.191, 1981 stats., if waiver is filed under this section, the person shall immediately cease to be entitled to payments under this section and the system shall be reimbursed from the award made under s. 66.191, 1981 stats., for all payments made under this section.

SECTION 20. 40.65 (2) (a) of the statutes is amended to read:

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40.65 (2) (a) This paragraph applies to participants who first apply for benefits before May 3, 1988. Any person desiring a benefit under this section must apply to the department of workforce development financial institutions, insurance, and professional standards, which department shall determine whether the applicant is eligible to receive the benefit and the participant's monthly salary. Appeals from the eligibility decision shall follow the procedures under ss. 102.16 to 102.26. If it is determined that an applicant is eligible, the department of workforce development financial institutions, insurance, and professional standards shall notify the department of employee trust funds and shall certify the applicant's monthly salary. If at the time of application for benefits an applicant is still employed in any capacity by the employer in whose employ the disabling injury occurred or disease was contracted, that continued employment shall not affect that applicant's right to have his or her eligibility to receive those benefits determined in proceedings before the department of workforce development division of hearings and appeals in the department of administration or the labor and industry review commission or in proceedings in the courts. The department of workforce development financial institutions, insurance, and professional standards may promulgate rules needed to administer this paragraph.

SECTION 21. 40.65 (2) (b) 3. of the statutes is amended to read:

40.65 (2) (b) 3. The department shall determine whether or not the applicant is eligible for benefits under this section on the basis of the evidence in subd. 2. An applicant may appeal a determination under this subdivision to the department of workforce development division of hearings and appeals in the department of administration.

SECTION 22. 40.65 (2) (b) 4. of the statutes is amended to read:

1	40.65 (2) (b) 4. In hearing an appeal under subd. 3., the department of
2	workforce development division of hearings and appeals in the department of
3	administration shall follow the procedures under ss. 102.16 to 102.26.
4	SECTION 23. 73.0301 (1) (d) 3m. of the statutes is amended to read:
5	73.0301 (1) (d) 3m. A license or certificate issued by the department of
6	workforce development under s. 102.17 (1) (c), 103.275 (2) (b), 103.34 (3) (c), 103.91
7	(1), 103.92 (3), 104.07 (1) or (2), or 105.13 (1).
8	SECTION 24. 73.0301 (1) (d) 3p. of the statutes is created to read:
9	73.0301 (1) (d) 3p. A license issued by the division of hearings and appeals in
10	the department of administration under s. $102.17(1)(c)$.
11	SECTION 25. 102.01 (2) (a) of the statutes is renumbered 102.01 (2) (af).
12	SECTION 26. 102.01 (2) (ad) of the statutes is created to read:
13	102.01 (2) (ad) "Administrator" means the administrator of the division of
14	hearings and appeals in the department of administration.
15	SECTION 27. 102.01 (2) (ap) of the statutes is amended to read:
16	102.01 (2) (ap) "Department" means the department of workforce development
17	financial institutions, insurance, and professional standards.
18	SECTION 28. 102.01 (2) (ar) of the statutes is created to read:
19	102.01 (2) (ar) "Division" means the division of hearings and appeals in the
20	department of administration.
21	SECTION 29. 102.01 (2) (em) of the statutes is amended to read:
22	102.01 (2) (em) "Secretary" means the secretary of workforce development
23	financial institutions, insurance, and professional standards.
24	SECTION 30. 102.08 of the statutes is amended to read:

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102.08 Administration for state employees. The department of administration has responsibility for the timely delivery of benefits payable under this chapter to employees of the state and their dependents and other functions of the state as an employer under this chapter. The department of administration may delegate this authority that responsibility to employing departments and agencies and require such reports as it deems considers necessary to accomplish this purpose. The department of administration or its delegated authorities shall file with the department of workforce development financial institutions, insurance, and professional standards the reports that are required of all employers. The department of workforce development financial institutions, insurance, and professional standards shall monitor the delivery of benefits payable under this chapter to state employees and their dependents and shall consult with and advise the department of administration in the manner and at the times necessary to ensure prompt and proper delivery of those benefits.

SECTION 31. 102.12 of the statutes is amended to read:

102.12 Notice of injury, exception, laches. No claim for compensation may be maintained unless, within 30 days after the occurrence of the injury or within 30 days after the employee knew or ought to have known the nature of his or her disability and its relation to the employment, actual notice was received by the employer or by an officer, manager, or designated representative of an employer. If no representative has been designated by posters placed in one or more conspicuous places where notices to employees are customarily posted, then notice received by any superior is sufficient. Absence of notice does not bar recovery if it is found that the employer was not misled thereby by that absence. Regardless of whether notice was received, if no payment of compensation, other than medical treatment or burial

expense, is made, and and if no application is filed with the department within 2 years from after the date of the injury or death, or from or the date the employee or his or her dependent knew or ought to have known the nature of the disability and its relation to the employment, the right to compensation therefor for the injury or death is barred, except that the right to compensation is not barred if the employer knew or should have known, within the 2-year period, that the employee had sustained the injury on which the claim is based. Issuance of notice of a hearing on the department's division's own motion has the same effect for the purposes of this section as the filing of an application. This section does not affect any claim barred under s. 102.17 (4).

SECTION 32. 102.13 (1) (c) of the statutes is amended to read:

102.13 (1) (c) So long as the employee, after a written request of the employer or insurer which that complies with par. (b), refuses to submit to or in any way obstructs the examination, the employee's right to begin or maintain any proceeding for the collection of compensation is suspended, except as provided in sub. (4). If the employee refuses to submit to the examination after direction by the department division or an examiner, or in any way obstructs the examination, the employee's right to the weekly indemnity which that accrues and becomes payable during the period of that refusal or obstruction, is barred, except as provided in sub. (4).

SECTION 33. 102.13 (1) (d) 2. of the statutes is amended to read:

102.13 (1) (d) 2. Any physician, chiropractor, psychologist, dentist, physician assistant, advanced practice nurse prescriber, or podiatrist who attended a worker's compensation claimant for any condition or complaint reasonably related to the condition for which the claimant claims compensation may be required to testify before the department division when the department division so directs.

SECTION 34. 102.13 (1) (d) 3. of the statutes is amended to read:

102.13 (1) (d) 3. Notwithstanding any statutory provisions except par. (e), any physician, chiropractor, psychologist, dentist, physician assistant, advanced practice nurse prescriber, or podiatrist attending a worker's compensation claimant for any condition or complaint reasonably related to the condition for which the claimant claims compensation may furnish to the employee, employer, worker's compensation insurer, or the department, or the division information and reports relative to a compensation claim.

SECTION 35. 102.13 (2) (a) of the statutes is amended to read:

102.13 (2) (a) An employee who reports an injury alleged to be work-related or who files an application for hearing waives any physician-patient, psychologist-patient or chiropractor-patient privilege with respect to any condition or complaint reasonably related to the condition for which the employee claims compensation. Notwithstanding ss. 51.30 and 146.82 and any other law, any physician, chiropractor, psychologist, dentist, podiatrist, physician assistant, advanced practice nurse prescriber, hospital, or health care provider shall, within a reasonable time after written request by the employee, employer, worker's compensation insurer, or department, or division, or its representative, provide that person with any information or written material reasonably related to any injury for which the employee claims compensation.

SECTION 36. 102.13 (2) (c) of the statutes is amended to read:

102.13 (2) (c) Except as provided in this paragraph, if an injured employee has a period of temporary disability that exceeds 3 weeks or a permanent disability, if the injured employee has undergone surgery to treat his or her injury, other than surgery to correct a hernia, or if the injured employee sustained an eye injury requiring

medical treatment on 3 or more occasions off the employer's premises, the department may by rule require the insurer or self-insured employer to submit to the department a final report of the employee's treating practitioner. The department may not require an insurer or self-insured employer to submit to the department a final report of an employee's treating practitioner when the insurer or self-insured employer denies the employee's claim for compensation and the employee does not contest that denial. A treating practitioner may charge a reasonable fee for the completion of the final report, but may not require prepayment of that fee. An insurer or self-insured employer that disputes the reasonableness of a fee charged for the completion of a treatment practitioner's final report may submit that dispute to the department division for resolution under s. 102.16 (2).

SECTION 37. 102.13 (3) of the statutes is amended to read:

102.13 (3) If 2 or more physicians, chiropractors, psychologists, dentists or podiatrists disagree as to the extent of an injured employee's temporary disability, the end of an employee's healing period, an employee's ability to return to work at suitable available employment, or the necessity for further treatment or for a particular type of treatment, the department division may appoint another physician, chiropractor, psychologist, dentist or podiatrist to examine the employee and render an opinion as soon as possible. The department division shall promptly notify the parties of this appointment. If the employee has not returned to work, payment for temporary disability shall continue until the department division receives the opinion. The employer or its insurance carrier or both shall pay for the examination and opinion. The employer or insurance carrier or both shall receive appropriate credit for any overpayment to the employee determined by the department division after receipt of the opinion.

SECTION 38. 102.13 (4) of the statutes is amended to read:

102.13 (4) The rights of employees right of an employee to begin or maintain proceedings for the collection of compensation and to receive weekly indemnities which that accrue and become payable shall not be suspended or barred under sub. (1) when an the employee refuses to submit to a physical examination, upon the request of the employer or worker's compensation insurer or at the direction of the department division or an examiner, which that would require the employee to travel a distance of 100 miles or more from his or her place of residence, unless the employee has claimed compensation for treatment from a practitioner whose office is located 100 miles or more from the employee's place of residence or the department division or examiner determines that any other circumstances warrant the examination. If the employee has claimed compensation for treatment from a practitioner whose office is located 100 miles or more from the employee's place of residence, the employer or insurer may request, or the department division or an examiner may direct, the employee to submit to a physical examination in the area where the employee's treatment practitioner is located.

SECTION 39. 102.13 (5) of the statutes is amended to read:

102.13 (5) The department division may refuse to receive testimony as to conditions determined from an autopsy if it appears that the party offering the testimony had procured the autopsy and had failed to make reasonable effort to notify at least one party in adverse interest or the department division at least 12 hours before the autopsy of the time and place it at which the autopsy would be performed, or that the autopsy was performed by or at the direction of the coroner or medical examiner or at the direction of the district attorney for purposes not

administered by the department.

1	authorized by under ch. 979. The department division may withhold findings until
2	an autopsy is held in accordance with its directions.
3	Section 40. 102.14 (1) of the statutes is amended to read:
4	102.14 (1) This Except as otherwise provided, this chapter shall be

SECTION 41. 102.15 (1) of the statutes is amended to read:

102.15 (1) Subject to this chapter, the department division may adopt its own rules of procedure and may change the same from time to time.

SECTION 42. 102.15 (2) of the statutes is amended to read:

102.15 (2) The department division may provide by rule the conditions under which transcripts of testimony and proceedings shall be furnished.

SECTION 43. 102.16 (1) of the statutes is amended to read:

102.16 (1) Any controversy concerning compensation or a violation of sub. (3), including controversies a controversy in which the state may be a party, shall be submitted to the department under s. 102.17 (1) (a) 1. and processed by the division in the manner and with the effect provided in this chapter. Every compromise of any claim for compensation may be reviewed and set aside, modified or confirmed by the department within Within one year from after the date the on which a compromise of any claim for compensation is filed with the department, or from division or the date on which an award has been entered, based thereon, or the department may take that action based on a compromise, the division, on its own motion or upon application made within one year that period, may review and set aside, modify, or confirm the compromise. Unless the word "compromise" appears in a stipulation of settlement, the settlement shall not be deemed considered a compromise, and further claim is not barred except as provided in s. 102.17 (4) regardless of whether

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an award is made. The employer, insurer, or dependent under s. 102.51 (5) shall have equal rights with the employee to have review of a compromise or any other stipulation of settlement reviewed under this subsection. Upon petition filed with the department division, the department division may set aside the award or otherwise determine the rights of the parties.

Section 44. 102.16 (1m) (a) of the statutes is amended to read:

102.16 (1m) (a) If an insurer or self-insured employer concedes by compromise under sub. (1) or stipulation under s. 102.18 (1) (a) that the insurer or self-insured employer is liable under this chapter for any health services provided to an injured employee by a health service provider, but disputes the reasonableness of the fee charged by the health service provider, the department division may include in its order confirming the compromise or stipulation a determination as to the reasonableness of the fee or the department division may notify, or direct the insurer or self-insured employer to notify, the health service provider under sub. (2) (b) that the reasonableness of the fee is in dispute. The department division shall deny payment of a health service fee that the department division determines under this paragraph to be unreasonable. A health service provider and an insurer or self-insured employer that are parties to a fee dispute under this paragraph are bound by the department's division's determination under this paragraph on the reasonableness of the disputed fee, unless that determination is set aside, reversed, or modified by the department division under sub. (2) (f) or is set aside on judicial review as provided in sub. (2) (f).

Section 45. 102.16 (1m) (b) of the statutes is amended to read:

102.16 (1m) (b) If an insurer or self-insured employer concedes by compromise under sub. (1) or stipulation under s. 102.18 (1) (a) that the insurer or self-insured

employer is liable under this chapter for any treatment provided to an injured
employee by a health service provider, but disputes the necessity of the treatment,
the department division may include in its order confirming the compromise or
stipulation a determination as to the necessity of the treatment or the department
division may notify, or direct the insurer or self-insured employer to notify, the
health service provider under sub. (2m) (b) that the necessity of the treatment is in
dispute. Before determining under this paragraph the necessity of treatment
provided to an injured employee, the department division may, but is not required
to, obtain the opinion of an expert selected by the department division who is
qualified as provided in sub. (2m) (c). The standards promulgated under sub. (2m)
(g) shall be applied by an expert and by the department division in rendering an
opinion as to, and in determining, necessity of treatment under this paragraph. In
cases in which no standards promulgated under sub. (2m) (g) apply, the department
division shall find the facts regarding necessity of treatment. The department
division shall deny payment for any treatment that the department division
determines under this paragraph to be unnecessary. A health service provider and
an insurer or self-insured employer that are parties to a dispute under this
paragraph over the necessity of treatment are bound by the department's division's
determination under this paragraph on the necessity of the disputed treatment,
unless that determination is set aside, reversed, or modified by the department
division under sub. (2m) (e) or is set aside on judicial review as provided in sub. (2m)
(e).

Section 46. 102.16 (1m) (c) of the statutes is amended to read:

102.16 (1m) (c) If an insurer or self-insured employer concedes by compromise under sub. (1) or stipulation under s. 102.18 (1) (a) that the insurer or self-insured

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employer is liable under this chapter for the cost of a prescription drug dispensed under s. 102.425 (2) for outpatient use by an injured employee, but disputes the reasonableness of the amount charged for the prescription drug, the department division may include in its order confirming the compromise or stipulation a determination as to the reasonableness of the prescription drug charge or the department division may notify, or direct the insurer or self-insured employer to notify, the pharmacist or practitioner dispensing the prescription drug under s. 102.425 (4m) (b) that the reasonableness of the prescription drug charge is in dispute. The department division shall deny payment of a prescription drug charge that the department division determines under this paragraph to be unreasonable. A pharmacist or practitioner and an insurer or self-insured employer that are parties to a dispute under this paragraph over the reasonableness of a prescription drug charge are bound by the department's division's determination under this paragraph on the reasonableness of the disputed prescription drug charge, unless that determination is set aside, reversed, or modified by the department division under s. 102.425 (4m) (e) or is set aside on judicial review as provided in s. 102.425 (4m) (e).

SECTION 47. 102.16 (2) (a) of the statutes is amended to read:

102.16 (2) (a) Except as provided in this paragraph, the department division has jurisdiction under this subsection, sub. (1m) (a), and s. 102.17 to resolve a dispute between a health service provider and an insurer or self-insured employer over the reasonableness of a fee charged by the health service provider for health services provided to an injured employee who claims benefits under this chapter. A health service provider may not submit a fee dispute to the department division under this subsection before all treatment by the health service provider of the employee's

injury has ended if the amount in controversy, whether based on a single charge or
a combination of charges for one or more days of service, is less than \$25. After all
treatment by a health service provider of an employee's injury has ended, the health
service provider may submit any fee dispute to the department division, regardless
of the amount in controversy. The department division shall deny payment of a
health service fee that the department division determines under this subsection to
be unreasonable.

SECTION 48. 102.16 (2) (am) of the statutes is amended to read:

102.16 (2) (am) A health service provider and an insurer or self-insured employer that are parties to a fee dispute under this subsection are bound by the department's division's determination under this subsection on the reasonableness of the disputed fee, unless that determination is set aside on judicial review as provided in par. (f).

SECTION 49. 102.16 (2) (b) of the statutes is amended to read:

102.16 (2) (b) An insurer or self-insured employer that disputes the reasonableness of a fee charged by a health service provider or the department division under sub. (1m) (a) or s. 102.18 (1) (bg) 1. shall provide reasonable written notice to the health service provider that the fee is being disputed. After receiving reasonable written notice under this paragraph or under sub. (1m) (a) or s. 102.18 (1) (bg) 1. that a health service fee is being disputed, a health service provider may not collect the disputed fee from, or bring an action for collection of the disputed fee against, the employee who received the services for which the fee was charged.

SECTION 50. 102.16 (2) (c) of the statutes is amended to read:

102.16 (2) (c) After a fee dispute is submitted to the department division, the insurer or self-insured employer that is a party to the dispute shall provide to the

department division information on that fee and information on fees charged by other health service providers for comparable services. The insurer or self-insured employer shall obtain the information on comparable fees from a database that is certified by the department division under par. (h). Except as provided in par. (e) 1., if the insurer or self-insured employer does not provide the information required under this paragraph, the department division shall determine that the disputed fee is reasonable and order that it be paid. If the insurer or self-insured employer provides the information required under this paragraph, the department division shall use that information to determine the reasonableness of the disputed fee.

SECTION 51. 102.16 (2) (d) of the statutes is amended to read:

102.16 (2) (d) The department division shall analyze the information provided to the department division under par. (c) according to the criteria provided in this paragraph to determine the reasonableness of the disputed fee. Except as provided in 2011 Wisconsin Act 183, section 30 (2) (b), the department division shall determine that a disputed fee is reasonable and order that the disputed fee be paid if that fee is at or below the mean fee for the health service procedure for which the disputed fee was charged, plus 1.2 standard deviations from that mean, as shown by data from a database that is certified by the department division under par. (h). Except as provided in 2011 Wisconsin Act 183, section 30 (2) (b), the department division shall determine that a disputed fee is unreasonable and order that a reasonable fee be paid if the disputed fee is above the mean fee for the health service procedure for which the disputed fee was charged, plus 1.2 standard deviations from that mean, as shown by data from a database that is certified by the department division under par. (h), unless the health service provider proves to the satisfaction of the department

division that a higher fee is justified because the service provided in the disputed case was more difficult or more complicated to provide than in the usual case.

SECTION 52. 102.16 (2) (e) 1. of the statutes is amended to read:

102.16 (2) (e) 1. Subject to subd. 2., if an insurer or self-insured employer that disputes the reasonableness of a fee charged by a health service provider cannot provide information on fees charged by other health service providers for comparable services because the database to which the insurer or self-insured employer subscribes is not able to provide accurate information for the health service procedure at issue, the department division may use any other information that the department division considers to be reliable and relevant to the disputed fee to determine the reasonableness of the disputed fee.

SECTION 53. 102.16 (2) (e) 2. of the statutes is amended to read:

102.16 (2) (e) 2. Notwithstanding subd. 1., the department division may use only a hospital radiology database that has been certified by the department division under par. (h) to determine the reasonableness of a hospital fee for radiology services.

SECTION 54. 102.16 (2) (f) of the statutes is amended to read:

102.16 (2) (f) Within 30 days after a determination under this subsection, the department division may set aside, reverse, or modify the determination for any reason that the department division considers sufficient. Within 60 days after a determination under this subsection, the department division may set aside, reverse, or modify the determination on grounds of mistake. A health service provider, insurer, or self-insured employer that is aggrieved by a determination of the department division under this subsection may seek judicial review of that determination in the same manner that compensation claims are reviewed under s. 102.23.

SECTION 55. 102.16 (2) (h) of the statutes is amended to read:

102.16 (2) (h) The department division shall promulgate rules establishing procedures and requirements for the fee dispute resolution process under this subsection, including rules specifying the standards that health service fee databases must meet for certification under this paragraph. Using those standards, the department division shall certify databases of the health service fees that various health service providers charge. In certifying databases under this paragraph, the department division shall certify at least one database of hospital fees for radiology services, including diagnostic and interventional radiology, diagnostic ultrasound, and nuclear medicine.

SECTION 56. 102.16 (2m) (a) of the statutes is amended to read:

102.16 (2m) (a) Except as provided in this paragraph, the department division has jurisdiction under this subsection, sub. (1m) (b), and s. 102.17 to resolve a dispute between a health service provider and an insurer or self-insured employer over the necessity of treatment provided for an injured employee who claims benefits under this chapter. A health service provider may not submit a dispute over necessity of treatment to the department division under this subsection before all treatment by the health service provider of the employee's injury has ended if the amount in controversy, whether based on a single charge or a combination of charges for one or more days of service, is less than \$25. After all treatment by a health service provider of an employee's injury has ended, the health service provider may submit any dispute over necessity of treatment to the department division, regardless of the amount in controversy. The department division shall deny payment for any treatment that the department division determines under this subsection to be unnecessary.

SECTION 57. 102.16 (2m) (am) of the statutes is amended to read:

102.16 (2m) (am) A health service provider and an insurer or self-insured employer that are parties to a dispute under this subsection over the necessity of treatment are bound by the department's division's determination under this subsection on the necessity of the disputed treatment, unless that determination is set aside on judicial review as provided in par. (e).

SECTION 58. 102.16 (2m) (b) of the statutes is amended to read:

102.16 (2m) (b) An insurer or self-insured employer that disputes the necessity of treatment provided by a health service provider or the department division under sub. (1m) (b) or s. 102.18 (1) (bg) 2. shall provide reasonable written notice to the health service provider that the necessity of that treatment is being disputed. After receiving reasonable written notice under this paragraph or under sub. (1m) (b) or s. 102.18 (1) (bg) 2. that the necessity of treatment is being disputed, a health service provider may not collect a fee for that disputed treatment from, or bring an action for collection of the fee for that disputed treatment against, the employee who received the treatment.

SECTION 59. 102.16 (2m) (c) of the statutes is amended to read:

102.16 (2m) (c) Before determining under this subsection the necessity of treatment provided for an injured employee who claims benefits under this chapter, the department division shall obtain a written opinion on the necessity of the treatment in dispute from an expert selected by the department division. To qualify as an expert, a person must be licensed to practice the same health care profession as the individual health service provider whose treatment is under review and must either be performing services for an impartial health care services review organization or be a member of an independent panel of experts established by the

department division under par. (f). The standards promulgated under par. (g) shall be applied by an expert and by the department division in rendering an opinion as to, and in determining, necessity of treatment under this paragraph. In cases in which no standards promulgated under sub. (2m) (g) apply, the department division shall find the facts regarding necessity of treatment. The department division shall adopt the written opinion of the expert as the department's division's determination on the issues covered in the written opinion, unless the health service provider or the insurer or self-insured employer present clear and convincing written evidence that the expert's opinion is in error.

Section 60. 102.16 (2m) (d) of the statutes is amended to read:

102.16 (2m) (d) The department division may charge a party to a dispute over the necessity of treatment provided for an injured employee who claims benefits under this chapter for the full cost of obtaining the written opinion of the expert under par. (c). The department division shall charge the insurer or self-insured employer for the full cost of obtaining the written opinion of the expert for the first dispute that a particular individual health service provider is involved in, unless the department division determines that the individual health service provider's position in the dispute is frivolous or based on fraudulent representations. In a subsequent dispute involving the same individual health service provider, the department division shall charge the losing party to the dispute for the full cost of obtaining the written opinion of the expert.

SECTION 61. 102.16 (2m) (e) of the statutes is amended to read:

102.16 (2m) (e) Within 30 days after a determination under this subsection, the department division may set aside, reverse, or modify the determination for any reason that the department division considers sufficient. Within 60 days after a

determination under this subsection, the department division may set aside, reverse, or modify the determination on grounds of mistake. A health service provider, insurer, or self-insured employer that is aggrieved by a determination of the department division under this subsection may seek judicial review of that determination in the same manner that compensation claims are reviewed under s. 102.23.

SECTION 62. 102.16 (2m) (f) of the statutes is amended to read:

102.16 (2m) (f) The department division may contract with an impartial health care services review organization to provide the expert opinions required under par. (c), or establish a panel of experts to provide those opinions, or both. If the department division establishes a panel of experts to provide the expert opinions required under par. (c), the department division may pay the members of that panel a reasonable fee, plus actual and necessary expenses, for their services.

Section 63. 102.16 (2m) (g) of the statutes is amended to read:

102.16 (2m) (g) The department division shall promulgate rules establishing procedures and requirements for the necessity of treatment dispute resolution process under this subsection, including rules setting the fees under par. (f) and rules establishing standards for determining the necessity of treatment provided to an injured employee. Before the department division may amend the rules establishing those standards, the department division shall establish an advisory committee under s. 227.13 composed of health care providers providing treatment under s. 102.42 to advise the department division and the council on worker's compensation on amending those rules.

SECTION 64. 102.16 (4) of the statutes is amended to read:

102.16 (4) The department division has jurisdiction to pass on any question arising out of sub. (3) and has jurisdiction to order the employer to reimburse an employee or other person for any sum deducted from wages or paid by him or her in violation of that subsection. In addition to the penalty provided in s. 102.85 (1), any employer violating sub. (3) shall be liable to an injured employee for the reasonable value of the necessary services rendered to that employee pursuant to under any arrangement made in violation of sub. (3) without regard to that employee's actual disbursements for the same those services.

SECTION 65. 102.17 (1) (a) 1. of the statutes is amended to read:

102.17 (1) (a) 1. Upon the filing with the department by any party in interest of any application in writing stating the general nature of any claim as to which any dispute or controversy may have arisen, the department shall mail a copy of the application to all other parties in interest and to the administrator, and the insurance carrier and the department shall be considered a party parties in interest. The department or the division may bring in additional parties by service of a copy of the application.

Section 66. 102.17 (1) (a) 2. of the statutes is amended to read:

102.17 (1) (a) 2. Subject to subd. 3., the department division shall cause notice of hearing on the application to be given to each interested party, by service of that notice on the interested party personally or by mailing a copy of that notice to the interested party's last–known address at least 10 days before the hearing. If a party in interest is located without this state, and has no post–office address within this state, the copy of the application and copies of all notices shall be filed with the department of financial institutions and shall also be sent by registered or certified mail to the last–known post–office address of the party. Such filing and mailing shall

constitute sufficient service, with the same effect as if served upon a party located within this state.

SECTION 67. 102.17 (1) (a) 3. of the statutes is amended to read:

102.17 (1) (a) 3. If a party in interest claims that the employer or insurer has acted with malice or bad faith, as described in s. 102.18 (1) (b) or (bp), that party shall provide written notice stating with reasonable specificity the basis for the claim to the employer, the insurer, the department, and the department division before the department division schedules a hearing on the claim of malice or bad faith.

Section 68. 102.17 (1) (a) 4. of the statutes is amended to read:

102.17 (1) (a) 4. The hearing may be adjourned in the discretion of the department division, and hearings may be held at such places as the department division designates, within or without the state. The department division may also arrange to have hearings held by the commission, officer, or tribunal having authority to hear cases arising under the worker's compensation law of any other state, of the District of Columbia, or of any territory of the United States, with the testimony and proceedings at any such hearing to be reported to the department division and to be made part of the record in the case. Any evidence so taken shall be subject to rebuttal upon final hearing before the department division.

Section 69. 102.17 (1) (b) of the statutes is amended to read:

102.17 (1) (b) In any dispute or controversy pending before the department division, the department division may direct the parties to appear before an examiner for a conference to consider the clarification of issues, the joining of additional parties, the necessity or desirability of amendments to the pleadings, the obtaining of admissions of fact or of documents, records, reports, and bills which that may avoid unnecessary proof, and such other matters as may aid in disposition of the

dispute or controversy. After this that conference the department division may issue an order requiring disclosure or exchange of any information or written material which it that the division considers material to the timely and orderly disposition of the dispute or controversy. If a party fails to disclose or exchange that information within the time stated in the order, the department division may issue an order dismissing the claim without prejudice or excluding evidence or testimony relating to the information or written material. The department division shall provide each party with a copy of any order issued under this paragraph.

SECTION 70. 102.17 (1) (c) of the statutes is renumbered 102.17 (1) (c) 1. and amended to read:

102.17 (1) (c) 1. Any party shall have the right to be present at any hearing, in person or by attorney or any other agent, and to present such testimony as may be pertinent to the controversy before the department division. No person, firm, or corporation, other than an attorney at law who is licensed to practice law in the state, may appear on behalf of any party in interest before the department division or any member or employee of the department division assigned to conduct any hearing, investigation, or inquiry relative to a claim for compensation or benefits under this chapter, unless the person is 18 years of age or older, does not have an arrest or conviction record, subject to ss. 111.321, 111.322 and 111.335, is otherwise qualified, and has obtained from the department division a license with authorization to appear in matters or proceedings before the department division. Except as provided under pars. (cm), (cr), and (ct), the license shall be issued by the department division shall maintain in its office a current list of persons to whom licenses have been issued.

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2. Any license issued under subd. 1. may be suspended or revoked by the
department division for fraud or serious misconduct on the part of an agent, any
license may be denied, suspended, nonrenewed, or otherwise withheld by the
department division for failure to pay court-ordered payments as provided in par.
(cm) on the part of an agent, and any license may be denied or revoked if the
department of revenue certifies under s. 73.0301 that the applicant or licensee is
liable for delinquent taxes or if the department of workforce development determines
under $\frac{1}{2}$ and $\frac{1}{2}$ $\frac{1}{2}$ that the applicant or licensee is liable for delinquent
unemployment insurance contributions. Before suspending or revoking the license
of the agent on the grounds of fraud or misconduct, the department division shall give
notice in writing to the agent of the charges of fraud or misconduct and shall give the
agent full opportunity to be heard in relation to those charges. In denying,
suspending, restricting, refusing to renew, or otherwise withholding a license for
failure to pay court-ordered payments as provided in par. (cm), the department
division shall follow the procedure provided in a memorandum of understanding
entered into under s. 49.857. The license and certificate of authority shall, unless

3. Unless otherwise suspended or revoked, a license issued under subd. 1. shall be in force from the date of issuance until the June 30 following the date of issuance and may be renewed by the department division from time to time, but each renewed license shall expire on the June 30 following the issuance of the renewed license.

SECTION 71. 102.17 (1) (cg) 1. of the statutes is amended to read:

102.17 (1) (cg) 1. Except as provided in subd. 2m., the department division shall require each applicant for a license under par. (c) who is an individual to provide the department division with the applicant's social security number, and shall require each applicant for a license under par. (c) who is not an individual to provide the

department division with the applicant's federal employer identification number, when initially applying for or applying to renew the license.

SECTION 72. 102.17 (1) (cg) 2. of the statutes is amended to read:

102.17 (1) (cg) 2. If an applicant who is an individual fails to provide the applicant's social security number to the department division or if an applicant who is not an individual fails to provide the applicant's federal employer identification number to the department division, the department division may not issue or renew a license under par. (c) to or for the applicant unless the applicant is an individual who does not have a social security number and the applicant submits a statement made or subscribed under oath or affirmation as required under subd. 2m.

SECTION 73. 102.17 (1) (cg) 2m. of the statutes is amended to read:

102.17 (1) (cg) 2m. If an applicant who is an individual does not have a social security number, the applicant shall submit a statement made or subscribed under oath or affirmation to the department division that the applicant does not have a social security number. The form of the statement shall be prescribed by the department division. A license issued in reliance upon a false statement submitted under this subdivision is invalid.

Section 74. 102.17(1)(cg) 3. of the statutes is amended to read:

102.17 (1) (cg) 3. The department of workforce development division may not disclose any information received under subd. 1. to any person except to the department of revenue for the sole purpose of requesting certifications under s. 73.0301, the department of workforce development for the sole purpose of requesting certifications under s. 108.227, or the department of children and families for purposes of administering s. 49.22.

Section 75. 102.17 (1) (cm) of the statutes is amended to read:

102.17 (1) (cm) The department of workforce development division shall deny, suspend, restrict, refuse to renew, or otherwise withhold a license under par. (c) for failure of the applicant or agent to pay court-ordered payments of child or family support, maintenance, birth expenses, medical expenses, or other expenses related to the support of a child or former spouse or for failure of the applicant or agent to comply, after appropriate notice, with a subpoena or warrant issued by the department of children and families or a county child support agency under s. 59.53 (5) and related to paternity or child support proceedings, as provided in a memorandum of understanding entered into under s. 49.857. Notwithstanding par. (c), an action taken under this paragraph is subject to review only as provided in the memorandum of understanding entered into under s. 49.857 and not as provided in ch. 227.

Section 76. 102.17 (1) (cr) of the statutes is amended to read:

102.17 (1) (cr) The department division shall deny an application for the issuance or renewal of a license under par. (c), or revoke such a license already issued, if the department of revenue certifies under s. 73.0301 that the applicant or licensee is liable for delinquent taxes. Notwithstanding par. (c), an action taken under this paragraph is subject to review only as provided under s. 73.0301 (5) and not as provided in ch. 227.

SECTION 77. 102.17 (1) (ct) of the statutes is repealed and recreated to read:

102.17 (1) (ct) The division shall deny an application for the issuance or renewal of a license under par. (c), or revoke such a license already issued, if the department of workforce development certifies under s. 108.227 that the applicant or licensee is liable for delinquent unemployment insurance contributions.

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Notwithstanding par. (c), an action taken under this paragraph is subject to review only as provided under s. 108.227 (5) and not as provided in ch. 227.

Section 78. 102.17 (1) (d) 1. of the statutes is amended to read:

102.17 (1) (d) 1. The contents of certified medical and surgical reports by physicians, podiatrists, surgeons, dentists, psychologists, physician assistants, advanced practice nurse prescribers, and chiropractors licensed in and practicing in this state, and of certified reports by experts concerning loss of earning capacity under s. 102.44 (2) and (3), presented by a party for compensation constitute prima facie evidence as to the matter contained in those reports, subject to any rules and limitations the department division prescribes. Certified reports of physicians, podiatrists, surgeons, dentists, psychologists, physician assistants, advanced practice nurse prescribers, and chiropractors, wherever licensed and practicing, who have examined or treated the claimant, and of experts, if the practitioner or expert consents to being subjected to cross-examination, also constitute prima facie evidence as to the matter contained in those reports. Certified reports of physicians, podiatrists, surgeons, psychologists, and chiropractors are admissible as evidence of the diagnosis, necessity of the treatment, and cause and extent of the disability. Certified reports by doctors of dentistry, physician assistants, and advanced practice nurse prescribers are admissible as evidence of the diagnosis and necessity of treatment but not of the cause and extent of disability. Any physician, podiatrist, surgeon, dentist, psychologist, chiropractor, physician assistant, advanced practice nurse prescriber, or expert who knowingly makes a false statement of fact or opinion in such a certified report may be fined or imprisoned, or both, under s. 943.395.

SECTION 79. 102.17 (1) (d) 2. of the statutes is amended to read:

102.17 (1) (d) 2. The record of a hospital or sanatorium in this state that is
satisfactory to the department division, established by certificate, affidavit, or
testimony of the supervising officer of the hospital or sanitorium, any other person
having charge of the record, or a physician, podiatrist, surgeon, dentist, psychologist,
physician assistant, advanced practice nurse prescriber, or chiropractor to be the
record of the patient in question, and made in the regular course of examination or
treatment of the patient, constitutes prima facie evidence as to the matter contained
in the record, to the extent that the record is otherwise competent and relevant.
Section 80. 102.17 (1) (d) 3. of the statutes is amended to read:

102.17 (1) (d) 3. The department division may, by rule, establish the qualifications of and the form used for certified reports submitted by experts who provide information concerning loss of earning capacity under s. 102.44 (2) and (3). The department division may not admit into evidence a certified report of a practitioner or other expert or a record of a hospital or sanatorium that was not filed with the department division and all parties in interest at least 15 days before the date of the hearing, unless the department division is satisfied that there is good cause for the failure to file the report.

SECTION 81. 102.17 (1) (d) 4. of the statutes is amended to read:

102.17 (1) (d) 4. A report or record described in subd. 1., 2., or 3. that is admitted or received into evidence by the department division constitutes substantial evidence under s. 102.23 (6) as to the matter contained in the report or record.

Section 82. 102.17 (1) (e) of the statutes is amended to read:

102.17 (1) (e) The department division may, with or without notice to any party, cause testimony to be taken, an inspection of the premises where the injury occurred to be made, or the time books and payrolls of the employer to be examined by any

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1	examiner, and may direct any employee claiming compensation to be examined by
2	a physician, chiropractor, psychologist, dentist, or podiatrist. The testimony so
3	taken, and the results of any such inspection or examination, shall be reported to the
4	department division for its consideration upon final hearing. All ex parte testimony
5	taken by the department division shall be reduced to writing, and any party shall
6	have opportunity to rebut that testimony on final hearing.
7	Section 83. 102.17 (1) (f) of the statutes is amended to read:
8	102.17 (1) (f) Sections 804.05 and 804.07 shall not apply to proceedings under
9	this chapter, except as to a witness who is any of the following:
10	1. Who is beyond Beyond reach of the subpoena of the department; or division.
11	2. Who is about About to go out of the state, not intending to return in time for
12	the hearing; or hearing.
13	3. Who is so So sick, infirm, or aged as to make it probable that the witness will
14	not be able to attend the hearing; or hearing.
15	4. Who is a A member of the legislature, if any committee of the same or
16	legislature or of the house of which the witness is a member, is in session, provided
17	and the witness waives his or her privilege.
18	Section 84. 102.17 (1) (g) of the statutes is amended to read:
19	102.17 (1) (g) Whenever the testimony presented at any hearing indicates a
20	dispute or creates a doubt as to the extent or cause of disability or death, the
21	department division may direct that the injured employee be examined, that an
22	autopsy be performed, or that an opinion be obtained without examination or
23	autopsy, by or from an impartial, competent physician, chiropractor, dentist,

psychologist or podiatrist designated by the department division who is not under

contract with or regularly employed by a compensation insurance carrier or

self-insured employer. The expense of the examination, autopsy, or opinion shall be paid by the employer or, if the employee claims compensation under s. 102.81, from the uninsured employers fund. The report of the examination, autopsy, or opinion shall be transmitted in writing to the department division and a copy of the report shall be furnished by the department division to each party, who shall have an opportunity to rebut such the report on further hearing.

SECTION 85. 102.17 (1) (h) of the statutes is amended to read:

102.17 (1) (h) The contents of certified reports of investigation, made by industrial safety specialists who are employed, contracted, or otherwise secured by the department division and who are available for cross-examination, if served upon the parties 15 days prior to hearing, shall constitute prima facie evidence as to matter contained in those reports. A report described in this paragraph that is admitted or received into evidence by the department division constitutes substantial evidence under s. 102.23 (6) as to the matter contained in the report.

SECTION 86. 102.17 (2) of the statutes is amended to read:

102.17 (2) If the department shall have division has reason to believe that the payment of compensation has not been made, it the division may on its own motion give notice to the parties, in the manner provided for the service of an application, of a time and place when a hearing will be held for the purpose of determining the facts. Such The notice shall contain a statement of the matter to be considered. Thereafter all other All provisions of this chapter governing proceedings on an application shall attach apply, insofar as the same may be applicable, to a proceeding under this subsection. When the department division schedules a hearing on its own motion, the department division does not become a party in interest and is not required to appear at the hearing.

SECTION 87. 102.17 (2m) of the statutes is amended to read:

102.17 (2m) Any The division or any party, including the department, may require any person to produce books, papers, and records at the hearing by personal service of a subpoena upon the person along with a tender of witness fees as provided in ss. 814.67 and 885.06. Except as provided in sub. (2s), the subpoena shall be on a form provided by the department division and shall give the name and address of the party requesting the subpoena.

SECTION 88. 102.17 (2s) of the statutes is amended to read:

102.17 (2s) A party's attorney of record may issue a subpoena to compel the attendance of a witness or the production of evidence. A subpoena issued by an attorney must be in substantially the same form as provided in s. 805.07 (4) and must be served in the manner provided in s. 805.07 (5). The attorney shall, at the time of issuance, send a copy of the subpoena to the appeal tribunal hearing examiner or other representative of the department division responsible for conducting the proceeding.

SECTION 89. 102.17 (7) (b) of the statutes is amended to read:

102.17 (7) (b) Except as provided in par. (c), the department division shall exclude from evidence testimony or certified reports from expert witnesses under par. (a) offered by the party that raises the issue of loss of earning capacity if that party failed to notify the department division and the other parties of interest, at least 60 days before the date of the hearing, of the party's intent to provide the testimony or reports and of the names of the expert witnesses involved. Except as provided in par. (c), the department division shall exclude from evidence testimony or certified reports from expert witnesses under par. (a) offered by a party of interest in response to the party that raises the issue of loss of earning capacity if the

responding party failed to notify the department division and the other parties of interest, at least 45 days before the date of the hearing, of the party's intent to provide the testimony or reports and of the names of the expert witnesses involved.

SECTION 90. 102.17 (7) (c) of the statutes is amended to read:

102.17 (7) (c) Notwithstanding the notice deadlines provided in par. (b), the department division may receive in evidence testimony or certified reports from expert witnesses under par. (a) when the applicable notice deadline under par. (b) is not met if good cause is shown for the delay in providing the notice required under par. (b) and if no party is prejudiced by the delay.

SECTION 91. 102.17 (8) of the statutes is amended to read:

102.17 (8) Unless otherwise agreed to by all parties, an injured employee shall file with the department division and serve on all parties at least 15 days before the date of the hearing an itemized statement of all medical expenses and incidental compensation under s. 102.42 claimed by the injured employee. The itemized statement shall include, if applicable, information relating to any travel expenses incurred by the injured employee in obtaining treatment including the injured employee's destination, number of trips, round trip mileage, and meal and lodging expenses. The department division may not admit into evidence any information relating to medical expenses and incidental compensation under s. 102.42 claimed by an injured employee if the injured employee failed to file with the department division and serve on all parties at least 15 days before the date of the hearing an itemized statement of the medical expenses and incidental compensation under s. 102.42 claimed by the injured employee, unless the department division is satisfied that there is good cause for the failure to file and serve the itemized statement.

SECTION 92. 102.175 (2) of the statutes is amended to read:

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102.175 (2) If after a hearing or a prehearing conference the department division determines that an injured employee is entitled to compensation but that there remains in dispute only the issue of which of 2 or more parties is liable for that compensation, the department division may order one or more parties to pay compensation in an amount, time, and manner as determined by the department division. If the department division later determines that another party is liable for compensation, the department division shall order that other party to reimburse any party that was ordered to pay compensation under this subsection.

SECTION 93. 102.18 (1) (b) of the statutes is amended to read:

102.18 (1) (b) Within 90 days after the final hearing and close of the record, the department division shall make and file its findings upon the ultimate facts involved in the controversy, and its order, which shall state its the division's determination as to the rights of the parties. Pending the final determination of any controversy before it, the department may in its discretion division, after any hearing, may, in its discretion, make interlocutory findings, orders, and awards, which may be enforced in the same manner as final awards. The department division may include in any interlocutory or final award or order an order directing the employer or insurer to pay for any future treatment that may be necessary to cure and relieve the employee from the effects of the injury. If the department division finds that the employer or insurer has not paid any amount that the employer or insurer was directed to pay in any interlocutory order or award and that the nonpayment was not in good faith, the department division may include in its final award a penalty not exceeding 25% 25 percent of each amount that was not paid as directed. When there is a finding that the employee is in fact suffering from an occupational disease caused by the employment of the employer against whom the application is filed, a final award

dismissing the application upon the ground that the applicant has suffered no disability from the disease shall not bar any claim the employee may thereafter have for disability sustained after the date of the award.

SECTION 94. 102.18 (1) (bg) 1. of the statutes is amended to read:

102.18 (1) (bg) 1. If the department division finds under par. (b) that an insurer or self-insured employer is liable under this chapter for any health services provided to an injured employee by a health service provider, but that the reasonableness of the fee charged by the health service provider is in dispute, the department division may include in its order under par. (b) a determination as to the reasonableness of the fee or the department division may notify, or direct the insurer or self-insured employer to notify, the health service provider under s. 102.16 (2) (b) that the reasonableness of the fee is in dispute. The department division shall deny payment of a health service fee that the department division determines under this subdivision to be unreasonable. An insurer or self-insured employer and a health service provider that are parties to a fee dispute under this subdivision are bound by the department's division's determination under this subdivision on the reasonableness of the disputed fee, unless that determination is set aside, reversed, or modified by the department division under sub. (3) or by the commission under sub. (3) or (4) or is set aside on judicial review under s. 102.23.

SECTION 95. 102.18 (1) (bg) 2. of the statutes is amended to read:

102.18 (1) (bg) 2. If the department division finds under par. (b) that an employer or insurance carrier is liable under this chapter for any treatment provided to an injured employee by a health service provider, but that the necessity of the treatment is in dispute, the department division may include in its order under par. (b) a determination as to the necessity of the treatment or the department division

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may notify, or direct the employer or insurance carrier to notify, the health service provider under s. 102.16 (2m) (b) that the necessity of the treatment is in dispute. Before determining under this subdivision the necessity of treatment provided to an injured employee, the department division may, but is not required to, obtain the opinion of an expert selected by the department division who is qualified as provided in s. 102.16 (2m) (c). The standards promulgated under s. 102.16 (2m) (g) shall be applied by an expert in rendering an opinion as to, and in determining, necessity of treatment under this subdivision. In cases in which no standards promulgated under s. 102.16 (2m) (g) apply, the department division shall find the facts regarding necessity of treatment. The department division shall deny payment for any treatment that the department division determines under this subdivision to be unnecessary. An insurer or self-insured employer and a health service provider that are parties to a dispute under this subdivision over the necessity of treatment are bound by the department's division's determination under this subdivision on the necessity of the disputed treatment, unless that determination is set aside, reversed, or modified by the department division under sub. (3) or by the commission under sub. (3) or (4) or is set aside on judicial review under s. 102.23.

SECTION 96. 102.18 (1) (bg) 3. of the statutes is amended to read:

102.18 (1) (bg) 3. If the department division finds under par. (b) that an insurer or self-insured employer is liable under this chapter for the cost of a prescription drug dispensed under s. 102.425 (2) for outpatient use by an injured employee, but that the reasonableness of the amount charged for that prescription drug is in dispute, the department division may include in its order under par. (b) a determination as to the reasonableness of the prescription drug charge or the department division may notify, or direct the insurer or self-insured employer to

notify, the pharmacist or practitioner dispensing the prescription drug under s. 102.425 (4m) (b) that the reasonableness of the prescription drug charge is in dispute. The department division shall deny payment of a prescription drug charge that the department division determines under this subdivision to be unreasonable. An insurer or self-insured employer and a pharmacist or practitioner that are parties to a dispute under this subdivision over the reasonableness of a prescription drug charge are bound by the department's division's determination under par. (b) on the reasonableness of the disputed prescription drug charge, unless that determination is set aside, reversed, or modified by the department division under sub. (3) or by the commission under sub. (3) or (4) or is set aside on judicial review under s. 102.23.

SECTION 97. 102.18 (1) (bp) of the statutes is amended to read:

102.18 (1) (bp) If the department division determines that the employer or insurance carrier suspended, terminated, or failed to make payments or failed to report an injury as a result of malice or bad faith, the department division may include a penalty in an award to an employee for each event or occurrence of malice or bad faith. This That penalty is the exclusive remedy against an employer or insurance carrier for malice or bad faith. If this the penalty is imposed for an event or occurrence of malice or bad faith that causes a payment that is due an injured employee to be delayed in violation of s. 102.22 (1) or overdue in violation of s. 628.46 (1), the department division may not also order an increased payment under s. 102.22 (1) or the payment of interest under s. 628.46 (1). The department division may award an amount that it the division considers just, not to exceed the lesser of 200 percent of total compensation due or \$30,000 for each event or occurrence of malice or bad faith. The department division may assess the penalty against the

employer, the insurance carrier, or both. Neither the employer nor the insurance carrier is liable to reimburse the other for the penalty amount. The department division may, by rule, define actions which that demonstrate malice or bad faith.

SECTION 98. 102.18 (1) (bw) of the statutes is amended to read:

102.18 (1) (bw) If an insurer, a self-insured employer, or, if applicable, the uninsured employers fund pays compensation to an employee in excess of its liability and another insurer is liable for all or part of the excess payment, the department division may order the insurer or self-insured employer that is liable for that excess payment to reimburse the insurer or self-insured employer that made the excess payment or, if applicable, the uninsured employers fund.

SECTION 99. 102.18 (1) (c) of the statutes is amended to read:

102.18 (1) (c) If 2 or more examiners have conducted a formal hearing on a claim and are unable to agree on the order or award to be issued, the decision shall be the decision of the majority. If the examiners are equally divided on the decision, the department division may appoint an additional examiner who shall review the record and consult with the other examiners concerning their personal impressions of the credibility of the evidence. Findings of fact and an order or award may then be issued by a majority of the examiners.

SECTION 100. 102.18 (1) (e) of the statutes is amended to read:

102.18 (1) (e) Except as provided in s. 102.21, if the department division orders a party to pay an award of compensation, the party shall pay the award no later than 21 days after the date on which the order is mailed to the last-known address of the party, unless the party files a petition for review under sub. (3). This paragraph applies to all awards of compensation ordered by the department division, whether

the award results from a hearing, the default of a party, or a compromise or stipulation confirmed by the department division.

SECTION 101. 102.18 (2) of the statutes is amended to read:

102.18 (2) The department division shall have and maintain on its staff such examiners as are necessary to hear and decide disputed claims and to assist in the effective administration of adjudication of disputes under this chapter. These Those examiners shall be attorneys and may be designated as administrative law judges. These Those examiners may make findings and orders, and may approve, review, set aside, modify, or confirm stipulations of settlement or compromises of claims for compensation.

SECTION 102. 102.18 (3) of the statutes is amended to read:

102.18 (3) A party in interest may petition the commission for review of an examiner's decision awarding or denying compensation if the department division or commission receives the petition within 21 days after the department division mailed a copy of the examiner's findings and order to the party's last-known address addresses of the parties in interest. The commission shall dismiss a petition which that is not timely filed unless the petitioner shows probable good cause that the reason for failure to timely file was beyond the petitioner's control. If no petition is filed within 21 days from after the date that on which a copy of the findings or order of the examiner is mailed to the last-known address addresses of the parties in interest, the findings or order shall be considered final unless set aside, reversed, or modified by the examiner within that time. If the findings or order are set aside by the examiner, the status shall be the same as prior to the setting aside of the findings or order set aside. If the findings or order are reversed or modified by the examiner, the time for filing a petition commences with on the date that on which notice of

reversal or modification is mailed to the last-known address addresses of the parties
in interest. The commission shall either affirm, reverse, set aside, or modify the
findings or order, in whole or in part, or direct the taking of additional evidence. This
The commission's action shall be based on a review of the evidence submitted.
SECTION 103. 102.18 (4) (c) 3. of the statutes is amended to read:

102.18 (4) (c) 3. Remand the case to the department division for further proceedings.

SECTION 104. 102.18 (4) (d) of the statutes is amended to read:

102.18 (4) (d) While a petition for review by the commission is pending or after entry of an order or award by the commission, but before commencement of an action for judicial review or expiration of the period in which to commence an action for judicial review, the commission shall remand any compromise presented to it to the department division for consideration and approval or rejection pursuant to under s. 102.16 (1). Presentation of a compromise does not affect the period in which to commence an action for judicial review.

SECTION 105. 102.18 (5) of the statutes is amended to read:

102.18 (5) If it shall appear to the department appears to the division that a mistake may have been made as to cause of injury in the findings, order, or award upon an alleged injury based on accident, when in fact the employee was suffering from an occupational disease, within 3 years after the date of the findings, order, or award the department division may, upon its own motion, with or without hearing, within 3 years from the date of such findings, order or award, set aside such the findings, order or award, or the department division may take such that action upon application made within such those 3 years. Thereafter, and after After an opportunity for hearing, the department division may, if in fact the employee is

suffering from disease arising out of the employment, make new findings, and <u>a new order or</u> award, or it <u>the division</u> may reinstate the previous findings, order, or award.

SECTION 106. 102.18 (6) of the statutes is amended to read:

102.18 (6) In case of disease arising out of the employment, the department division may from time to time review its findings, order, or award, and make new findings, or a new order or award, based on the facts regarding disability or otherwise as they those facts may then appear at the time of the review. This subsection shall not affect the application of the limitation in s. 102.17 (4).

SECTION 107. 102.21 of the statutes is amended to read:

by the department under this chapter or s. 66.191, 1981 stats., against any municipality, the person in whose favor it the award is made shall file a certified copy thereof of the award with the municipal clerk. Within 20 days thereafter, unless Unless an appeal is taken, such within 20 days after that filing, the municipal clerk shall draw an order on the municipal treasurer for the payment of the award. If upon appeal such the award is affirmed in whole or in part the, the municipal clerk shall draw an order for payment shall be drawn of the award within 10 days after a certified copy of such the judgment affirming the award is filed with the proper that clerk. If the award or judgment provides for more than one payment is provided for in the award or judgment, orders shall be drawn, the municipal clerk shall draw orders for payment as the payments become due. No statute relating to the filing of claims against, and or the auditing, allowing, and payment of claims by municipalities shall apply, a municipality applies to the payment of an award or judgment under this section.

SECTION 108. 102.22 (1) of the statutes is amended to read:

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102.22 (1) If the employer or his or her insurer inexcusably delays in making the first payment that is due an injured employee for more than 30 days after the day date on which the employee leaves work as a result of an injury and if the amount due is \$500 or more, the payments as to which the delay is found shall be increased by 10% 10 percent. If the employer or his or her insurer inexcusably delays in making the first payment that is due an injured employee for more than 14 days after the day date on which the employee leaves work as a result of an injury, the payments as to which the delay is found may be increased by 10% 10 percent. If the employer or his or her insurer inexcusably delays for any length of time in making any other payment that is due an injured employee, the payments as to which the delay is found may be increased by 10%. Where 10 percent. If the delay is chargeable to the employer and not to the insurer, s. 102.62 shall apply applies and the relative liability of the parties shall be fixed and discharged as therein provided in that section. The department division may also order the employer or insurance carrier to reimburse the employee for any finance charges, collection charges, or interest which that the employee paid as a result of the inexcusable delay by the employer or insurance carrier.

SECTION 109. 102.22 (2) of the statutes is amended to read:

102.22 (2) If the sum ordered by the department any sum that the division orders to be paid is not paid when due, that sum shall bear interest at the rate of 10% 10 percent per year. The state is liable for such interest on awards issued against it under this chapter. The department division has jurisdiction to issue an award for payment of such interest under this subsection at any time within one year of after the date of its order, or upon appeal, if the order is appealed, within one year after final court determination. Such interest Interest awarded under this subsection

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becomes due from the date the examiner's order becomes final or from the date of a decision by the labor and industry review commission, whichever is later.

SECTION 110. 102.23 (1) (a) of the statutes is amended to read:

102.23 (1) (a) The findings of fact made by the commission acting within its powers shall, in the absence of fraud, be conclusive. The order or award granting or denying compensation, either interlocutory or final, whether judgment has been rendered on it the order or award or not, is subject to review only as provided in this section and not under ch. 227 or s. 801.02. Within 30 days after the date of an order or award made by the commission either originally or after the filing of a petition for review with the department division under s. 102.18 any party aggrieved thereby by the order or award may by serving a complaint as provided in par. (b) and filing the summons and complaint with the clerk of the circuit court commence, in circuit court, an action against the commission for the review of the order or award, in which action the adverse party shall also be made a defendant. If the circuit court is satisfied that a party in interest has been prejudiced because of an exceptional delay in the receipt of a copy of any finding or order, it the circuit court may extend the time in which an action may be commenced by an additional 30 days. The proceedings shall be in the circuit court of the county where the plaintiff resides, except that if the plaintiff is a state agency, the proceedings shall be in the circuit court of the county where the defendant resides. The proceedings may be brought in any circuit court if all parties stipulate and that court agrees.

Section 111. 102.23 (2) of the statutes is amended to read:

102.23 (2) Upon the trial of any such an action for review of an order or award the court shall disregard any irregularity or error of the commission or the

1 .	department division unless it is made to affirmatively appear that the plaintiff was
2	damaged thereby by that irregularity or error.

SECTION 112. 102.23 (3) of the statutes is amended to read:

102.23 (3) The record in any case shall be transmitted to the department division within 5 days after expiration of the time for appeal from the order or judgment of the court, unless an appeal shall be is taken from such that order or judgment.

SECTION 113. 102.23 (5) of the statutes is amended to read:

102.23 (5) When an action for review involves only the question of liability as between the employer and one or more insurance companies or as between several insurance companies, a party that has been ordered by the department division, the commission, or a court to pay compensation is not relieved from paying compensation as ordered.

SECTION 114. 102.24 (2) of the statutes is amended to read:

102.24 (2) After the commencement of an action to review any <u>order or</u> award of the commission, the parties may have the record remanded by the court for such time and under such condition as they the parties may provide, for the purpose of having the department <u>division</u> act upon the question of approving or disapproving any settlement or compromise that the parties may desire to have so approved. If approved, the action shall be at an end and judgment may be entered upon the approval as upon an award. If not approved, the division shall immediately return the record shall forthwith be returned to the circuit court and the action shall proceed as if no remand had been made.

SECTION 115. 102.25 (1) of the statutes is amended to read:

order or award may appeal therefrom the judgment within the time period specified in s. 808.04 (1). A trial court shall may not require the commission or any party to the action to execute, serve, or file an undertaking under s. 808.07 or to serve, or secure approval of, a transcript of the notes of the stenographic reporter or the tape of the recording machine. The state is a party aggrieved under this subsection if a judgment is entered upon the review confirming any order or award against it the state. At any time before the case is set down for hearing in the court of appeals or the supreme court, the parties may have the record remanded by the court to the department division in the same manner and for the same purposes as provided for remanding from the circuit court to the department division under s. 102.24 (2).

SECTION 116. 102.26 (2) of the statutes is amended to read:

102.26 (2) Unless previously authorized by the department division, no fee may be charged or received for the enforcement or collection of any claim for compensation, nor may any contract for that enforcement or collection be enforceable when that fee, inclusive of all taxable attorney fees paid or agreed to be paid for that enforcement or collection, exceeds 20 percent of the amount at which that the claim is compromised or of the amount awarded, adjudged, or collected, except that in cases of admitted liability in which there is no dispute as to the amount of compensation due and in which no hearing or appeal is necessary, the fee charged may not exceed 10 percent, but not to exceed \$250, of the amount at which that the claim is compromised or of the amount awarded, adjudged, or collected. The limitation as to fees shall apply to the combined charges of attorneys, solicitors, representatives, and adjusters who knowingly combine their efforts toward the enforcement or collection of any compensation claim.

1	SECTION 117. 102.26 (3) (b) 1. of the statutes is amended to read:
2	102.26 (3) (b) 1. The department may Subject to sub. (2), upon application of
3	any interested party and subject to sub. (2), the division may fix the fee of the
4	claimant's attorney or representative and provide in the award for that fee to be paid
5	directly to the attorney or representative.
6	SECTION 118. 102.26 (3) (b) 3. of the statutes is amended to read:
7	102.26 (3) (b) 3. The claimant may request the insurer or self-insured employer
8	to pay any compensation that is due the claimant by depositing the payment directly
9	into an account maintained by the claimant at a financial institution. If the insurer
10	or self-insured employer agrees to the request, the insurer or self-insured employer
11	may deposit the payment by direct deposit, electronic funds transfer, or any other
12	money transfer technique approved by the department division. The claimant may
13	revoke a request under this subdivision at any time by providing appropriate written
14	notice to the insurer or self-insured employer.
15	SECTION 119. 102.26 (4) of the statutes is amended to read:
16	102.26 (4) The charging or receiving of Any attorney or other person who
17	charges or receives any fee in violation of this section shall be unlawful, and the
18	attorney or other person guilty thereof shall may be required to forfeit double the
19	amount retained by the attorney or other person, the same to which forfeiture shall
20	be collected by the state in an action in debt, upon complaint of the department
21	division. Out of the sum recovered the court shall direct payment to the injured party
22	of the amount of the overcharge.
23	SECTION 120. 102.28 (3) (c) of the statutes is amended to read:
24	102.28 (3) (c) An employee who has signed a waiver under par. (a) 1. and an

affidavit under par. (a) 2., who sustains an injury that, but for that waiver, the

employer would be liable for under s. 102.03, who at the time of the injury was a
member of a religious sect whose authorized representative has filed an affidavit
under par. (a) 3. and an agreement under par. (a) 4., and who as a result of the injury
becomes dependent on the religious sect for financial and medical assistance, or the
employee's dependent, may request a hearing under s. 102.17 (1) to determine if the
religious sect has provided the employee and his or her dependents with a standard
of living and medical treatment that are reasonable when compared to the general
standard of living and medical treatment for members of the religious sect. If, after
hearing, the department <u>division</u> determines that the religious sect has not provided
that standard of living or medical treatment, or both, the department division may
order the religious sect to provide alternative benefits to that employee or his or her
dependent, or both, in an amount that is reasonable under the circumstances, but
not in excess of the benefits that the employee or dependent could have received
under this chapter but for the waiver under par. (a) 1.

SECTION 121. 102.28 (4) (c) of the statutes is amended to read:

102.28 (4) (c) After a hearing under par. (b), or without a hearing if one is not requested, the department division may issue an order to an employer to cease operations on a finding that the employer is an uninsured employer. If no hearing is requested, the department may issue such an order.

Section 122. 102.28 (4) (d) of the statutes is amended to read:

102.28 (4) (d) The department of justice may bring an action in any court of competent jurisdiction for an injunction or other remedy to enforce the department's an order to cease operations under par. (c).

SECTION 123. 102.28 (7) (b) of the statutes is amended to read: