
**Joint Assembly and Senate Committees on Labor
Thursday, Feb. 8, 2024
11 a.m.
State Capitol, 417 North (GAR Hall)**

Testimony of the Wisconsin Department of Workforce Development's (DWD) Worker's Compensation Division Administrator and Worker's Compensation Advisory Council Chair Steven Peters

Chair Testin, Vice-Chair Nass, Chair Penterman, Vice-Chair Sapik, and members of the Senate and Assembly Labor Committees, thank you for the opportunity to provide testimony for information only on SB 992/LRB 5292 and SB 991/LRB 5293. I am Steven Peters, the Department of Workforce Development's (DWD) Worker's Compensation Division Administrator. I also serve as the chair of the Worker's Compensation Advisory Council. On behalf of the council, I would like to thank you for hosting today's hearing on the council's agreed-upon bills.

Wisconsin's Worker's Compensation system is over 110 years old and was the first Worker's Compensation system in the nation to withstand constitutional challenges, enshrining the grand bargain between management and labor that ensures support for workers injured on the job while protecting employers from further liability if they are insured.

Since 1968, the Wisconsin Worker's Compensation Advisory Council (WCAC) has advised state government on how to best support and strengthen the state's worker's compensation system, which has served as a national model for stability and effectiveness. The WCAC is made up of equal numbers of labor and management with members from the insurance industry joining in an advisory role.

The council's statutory responsibilities, as noted in Wis. Stats. 102.14(2), include:

- Advising the department in carrying out the purposes of the Worker's Compensation Act,
- Reporting its views on any pending worker's compensation bill to the proper committee,
- Reviewing and discussing matters of legislative concern related to worker's compensation at the request of the chairpersons of the Senate and Assembly Labor Committees, and
- Submitting recommendations for law changes to the Legislature each session.

The bills before you are the product of input from stakeholders representing all facets of the worker's compensation community, including management, labor, insurers, medical professionals, attorneys, and DWD. The council also received feedback from a biennial public hearing held on Dec. 15, 2022. After months of negotiations, the WCAC voted unanimously on Jan. 8, 2024 to advance these bills and recommend the proposed changes to Wisconsin's worker's compensation laws.

The following is a summary of the proposed changes in the first agreed bill, SB 992/LRB 5292. The bill:

- Creates a medical fee schedule by July 1, 2025 based on 110% of the sum of the average payment for a health service by group and self-insured health plans and the average copayment, coinsurance and deductible payment for the health service.

- Extends the Worker's Compensation coverage for post-traumatic stress disorder that was provided to law enforcement officers and full-time firefighters in 2021 Wisconsin Act 29 to all emergency medical service practitioners and firefighters, regardless of their level of employment or volunteer status.
- Indexes the permanent total disability rate to the benefit rate in effect more than six years after the date of injury on an annual basis.

The second agreed bill, SB 991/LRB 5293:

- Updates the language to be gender neutral relating to marriage in Wis. Stats. 102.51(1)(a).
- Increases the permanent partial disability weekly rate by \$8 for injuries occurring in 2024, on and after the effective date from \$430 to \$438, and by an additional \$8 to \$446 for injuries occurring on and after Jan. 1, 2025.
- Changes the term "advance practice nurse prescriber" to "advance practice registered nurse" in chapter 102.
- Clarifies some of the duties between Worker's Compensation and the Division of Hearings and Appeals as it relates to closing cases for claims of compensation; and provides the statute of limitations to begin to run on the date an order is issued by DHA that approves a compromise agreement and that subsequent claims will not be time-barred except by applicable statute of limitations.
- Establishes that lump sum payments for permanent partial disability (PPD) for unaccrued compensation may be paid in advance in undisputed claims with no 5% interest credit.
- Corrects citations to mirror federal rehabilitation law (Wis. Stats. 102.61 (1), (1g), and (1m)).
- Increases the amount of large Uninsured Employer Fund (UEF) claims that require reimbursement from Worker's Compensation insurance carriers from \$1 million to \$2 million.

Thank you again for the opportunity to testify today, and for your time and consideration. I am happy to answer any questions.

DWD CONTACT: Legislative Liaison Arielle Exner, (608) 770-5223, Arielle.exner@dwd.wisconsin.gov