

## HB 2040 A STAFF MEASURE SUMMARY

### Senate Committee On Labor and Business

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**Prepared By:** Tyler Larson, LPRO Analyst

**Meeting Dates:** 4/15, 4/22

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#### **WHAT THE MEASURE DOES:**

Authorizes the Director of Department of Consumer and Business Services to specify through rule what claims data must be reported and the method for doing so. Authorizes Director to adopt rules regarding methods of reporting prior to the operative date of July 1, 2023. Removes form and style changes. Takes effect 91st day following adjournment sine die.

*House vote: Ayes, 55; Nays, 2--Nearman, Wallan; Excused, 3--Boshart-Davis, Bynum, Clem*

*Minimal fiscal impact; no revenue impact*

#### **ISSUES DISCUSSED:**

- Need for broader statutory authority to require reporting on disposition of claims
- Status of agency modernization plan

#### **EFFECT OF AMENDMENT:**

No amendment.

#### **BACKGROUND:**

Workers' Compensation insurers and self-insured employers report claims data to the Department of Consumer and Business Services (DCBS) using paper forms or document images. Employees of DCBS manually enter data from the forms into a database. DCBS is embarking on a modernization program that will allow computer-to-computer communication, which will eliminate the use of paper forms and human data entry. Current statutes require certain reports from insurers to be mailed to DCBS.

Current statute specifies that insurers shall not report claims for nondisabling injuries to DCBS, except they must report denied claims for nondisabling injuries. In the past year, there has been significant interest in having information about accepted claims for nondisabling injuries to understand how insurers were responding to claims involving COVID-19.

House Bill 2040-A authorizes DCBS to determine by rule what type of claims information, such as accepted nondisabling claims, must be reported and the method of reporting.