



NEVADA LEGISLATURE
COMMITTEE TO STUDY NEVADA'S INDUSTRIAL
INSURANCE PROGRAM
(Senate Bill 292, Chapter 433, *Statutes of Nevada 2003*)
SUMMARY MINUTES AND ACTION REPORT

The second meeting of the Nevada Legislature's Committee to Study Nevada's Industrial Insurance Program was held on Friday, February 20, 2004, at 10 a.m. in Room 4412 of the Grant Sawyer State Office Building, 555 East Washington Avenue, Las Vegas, Nevada. The meeting was videoconferenced to Room 2135 of the Legislative Building, 401 South Carson Street, Carson City, Nevada. A copy of this set of "Summary Minutes and Action Report," including the "Meeting Notice and Agenda" ([Exhibit A](#)) and other substantive exhibits, is available on the Nevada Legislature's Web site at www.leg.state.nv.us/Session/72nd2003/Interim. In addition, copies of the audio record may be purchased through the Legislative Counsel Bureau's Publications Office (e-mail: publications@lcb.state.nv.us; telephone: 775/684-6835).

COMMITTEE MEMBERS PRESENT IN LAS VEGAS:

Senator Ann O'Connell, Chairwoman
Assemblyman John Ocegüera, Vice Chairman
Senator Maggie Carlton
Assemblyman David R. Parks

COMMITTEE MEMBER PRESENT IN CARSON CITY:

Assemblyman Ron Knecht

COMMITTEE MEMBER ABSENT:

Senator Warren B. Hardy

OTHER LEGISLATOR PRESENT IN LAS VEGAS:

Senator Michael A. Schneider

LEGISLATIVE COUNSEL BUREAU (LCB) STAFF PRESENT:

Vance A. Hughey, Chief Principal Research Analyst, Research Division
Kevin C. Powers, Principal Deputy Legislative Counsel, Legal Division
Lucinda Benjamin, Senior Research Secretary, Research Division

OPENING REMARKS

Chairwoman Ann O'Connell called the meeting to order and welcomed the audience and Committee members

APPROVAL OF NOVEMBER 13, 2003, MINUTES

The Committee **APPROVED THE FOLLOWING ACTION:**

SENATOR CARLTON MOVED FOR APPROVAL OF THE MINUTES OF THE COMMITTEE TO

STUDY NEVADA'S INDUSTRIAL INSURANCE PROGRAM'S NOVEMBER 13, 2003, MEETING IN LAS VEGAS, NEVADA. THE MOTION WAS SECONDED BY ASSEMBLYMAN OCEGUERA AND PASSED UNANIMOUSLY.

REVIEW OF WORKERS' COMPENSATION INSURANCE BILLS ENACTED DURING THE 2003 LEGISLATIVE SESSION

- Vance A. Hughey, Chief Principal Research Analyst, Research Division, Legislative Counsel Bureau (LCB), presented a document titled "Workers' Compensation Bills Enacted During the 2003 Legislative Session." He provided information on permanent total disability benefit increases and utilized a Microsoft PowerPoint presentation to review Senate Bills 168, 184, 193, 292, 319, and 320 and Assembly Bills 206, 294, 438, and 451. Please see [Exhibit B](#) and [Exhibit C](#) for detailed information on Mr. Hughey's presentation.
- Senator O'Connell requested further information on the number of penalties that have been issued be provided to Committee members at the next meeting.
- Redentor H. Villanueva, Workers' Compensation Quality Assurance Specialist, Office of Consumer Health Assistance, requested further information on Senate Bill 320, which Mr. Hughey will provide.

DISCUSSION OF THE APPROPRIATENESS OF REIMBURSING INJURED WORKERS' FOR TIME OFF OF WORK WHILE THEY ARE RECEIVING MEDICAL TREATMENT FOR COMPENSABLE INDUSTRIAL INJURIES OR ILLNESSES

- Senator Mike McGinness was unable to attend the meeting and requested that he be placed on a future agenda to discuss this topic.

REVIEW OF PAST RETROACTIVE INCREASES IN PERMANENT TOTAL DISABILITY BENEFITS ENACTED BY THE NEVADA LEGISLATURE

- Vance A. Hughey, Chief Principal Research Analyst, Research Division, LCB, reviewed retroactive increases in permanent total disability benefits. Mr. Hughey explained the limitations for receiving permanent total disability compensation and stated workers' compensation premium rates would increase if benefits were made retroactive. Please see [Exhibit D](#) for detailed information submitted by Mr. Hughey.
- Senator O'Connell asked how the Social Security Administration adjusts pension benefits for individuals who receive workers' compensation benefits. She requested further information for the next Committee meeting on the number of people receiving workers' compensation benefits and Social Security benefits and how the benefit amounts might offset each other. Senator O'Connell expressed the need for the Legislature to have this information for the 2005 Legislative Session to allow legislators to make informed decisions that would not be detrimental to the public.

UPDATE CONCERNING ISSUES RELATED TO PRESUMPTIVE BENEFITS FOR FIREFIGHTERS AND POLICE OFFICERS

- Senator Maggie Carlton provided information on discussions regarding the proposed actuarial study. She stated that related issues were presented and discussed at the Washoe County Board of Commissioners meeting the week of February 9, 2004.
- Raymond "Rusty" McAllister, Professional Firefighters of Nevada (PFN), stated there could be a potential problem in conducting the study if negotiating parties were not clearly identified.
- Senator O'Connell directed staff to draft a letter requesting information on deliberations of the proposed actuarial study that occurred at the February 10, 2004, Washoe County Board of Commissioners meeting, and asked that interested parties be invited to join in the Committee's actuarial discussions.

- James R. Jeppson, Risk Manager, Risk Management Division, Washoe County, explained that an internal audit was presented to the Board of Commissioners, which provided information on a proposed feasibility study to establish an insurance pool for the purchase of excess workers' compensation insurance.

PUBLIC TESTIMONY

- Virginia Boosh, injured worker, presented information about her workers' compensation case. She indicated she would submit her questions in writing for consideration by the Committee.
- Senator O'Connell directed that a copy of the letter received by Vance A. Hughey, Chief Principal Research Analyst, LCB, from Nancyann Leeder, Nevada Attorney for Injured Workers, Division of Insurance, Department of Business and Industry, be sent to Ms. Boosh.
- Don Jayne, Nevada Self Insured Association (NSIA), provided information on injured workers who are to receive a one-time payment pursuant to S.B. 193.
- Bob Ostrovsky, representing Employers Insurance Company of Nevada (EICON), stated the numbers presented are still under review.
- Senator O'Connell directed staff to provide further information to the Committee at the next meeting on the monthly compensation amounts received by injured workers.
- Herbert Jones, injured worker, commented on permanent total disability benefits for individuals and cost-of-living increases.
- Raymond "Rusty" McAllister, PFN, explained Assembly Bill 438 (Chapter 77, *Statutes of Nevada 2003*) with regard to cost of living increases. He commented that the PFN is examining a funding mechanism to provide for the increases.
- Craig Michie, injured worker, provided testimony on services provided by the Division of Industrial Relations regarding his personal workers' compensation case.
- Paul M. Bastardo, injured worker, provided information on his personal workers' compensation case and submitted a copy of a letter to Jackie Brantley, Director, Constituent Services, Southern Nevada Office of the Governor, regarding his compensation case. Please see [Exhibit E](#) for a copy of Mr. Bastardo's letter.
- Senator O'Connell requested Mr. Michie present his proposed recommendations for revisions for Nevada's workers' compensation program in writing for the Committee's consideration.

DISCUSSION OF FUTURE COMMITTEE MEETING DATE

- Chairwoman O'Connell stated the next meeting of the Committee was scheduled for April 7, 2004, at 10 a.m., in Carson City, Nevada.

ADJOURNMENT

There being no further business to come before the Committee, the meeting was adjourned at 1:30 p.m.

Respectfully submitted,

Lucinda Benjamin
Senior Research Secretary

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Vance A. Hughey
Chief Principal Research Analyst

APPROVED BY:

Senator Ann O'Connell, Chairwoman

Date: _____

LIST OF EXHIBITS

[Exhibit A](#) is the "Meeting Notice and Agenda".

[Exhibit B](#) is a document titled "Workers Compensation Bills Enacted During the 2003 Legislative Session," provided by Vance A. Hughey, Chief Principal Research Analyst, Research Division, LCB.

[Exhibit C](#) is a PowerPoint presentation titled "Review of 2003 Worker's Compensation Bills," provided by Vance A. Hughey, Chief Principal Research Analyst, Research Division, LCB.

[Exhibit D](#) is a document titled "Permanent Total Disability Benefit Increases," provided by Vance A. Hughey, Principal Research Analyst, Research Division, LCB.

[Exhibit E](#) is a letter to Jackie Brantley, Director, Constituent Services, Southern Nevada Office of the Governor, from Paul M. Bastardo regarding his worker's compensation case.

This set of "Summary Minutes and Action Report" is supplied as an informational service. Exhibits in electronic format may not be complete. Copies of the complete exhibits, other materials distributed at the meeting, and the audio record are on file in the Research Library of the Legislative Counsel Bureau, Carson City, Nevada. You may contact the Library online at www.leg.state.nv.us/lcb/research/library/feedbackmail.cfm or telephone: 775/684-6827.