

## HOUSE OF REPRESENTATIVES STAFF ANALYSIS

**BILL #:** HB 4181 Workers' Compensation

**SPONSOR(S):** Caldwell

**TIED BILLS:**                   **IDEN./SIM. BILLS:**

REFERENCE	ACTION	ANALYST	STAFF DIRECTOR or BUDGET/POLICY CHIEF
1) Insurance & Banking Subcommittee	13 Y, 0 N	Reilly	Cooper
2) Economic Affairs Committee	15 Y, 0 N	Reilly	Tinker

### SUMMARY ANALYSIS

Under the workers' compensation system, health care providers that treat injured workers must be certified by the Department of Financial Services (DFS) to be eligible to receive reimbursement. The certification process includes the completion and submission of a "Health Care Provider Application for Certification," accompanied by proof of possession of a valid license issued by the Department of Health.

The bill repeals the certification requirement for health care providers in the workers' compensation system. As such providers are licensed by the Department of Health, the DFS believes that subsequent certification is redundant and is of no additional value.

The DFS informs that the bill will result in the reduction of 1 FTE and annual savings of \$40,187.

The bill is effective on July 1, 2012.

## FULL ANALYSIS

### I. SUBSTANTIVE ANALYSIS

#### A. EFFECT OF PROPOSED CHANGES:

##### Background

Chapter 440, F.S., Florida's Workers' Compensation Law, requires health care providers to be certified by the Department of Financial Services (DFS) to be eligible for reimbursement for services rendered to injured workers.<sup>1</sup> The certification process includes the completion and submission of a "Health Care Provider Application for Certification" (Form DFS-3160-0020), accompanied by proof of possession of a valid license issued by the Department of Health.<sup>2,3</sup>

##### Effect of the Bill

The bill repeals the requirement that health care providers in the workers' compensation system be certified by the DFS to be eligible for reimbursement for services rendered. As such providers are already licensed by the Department of Health, the DFS states that subsequent certification is redundant and of no utility to the workers' compensation system.<sup>4</sup>

#### B. SECTION DIRECTORY:

**Section 1.** Amends s. 440.13, F.S., to eliminate the requirement that health care providers in the workers' compensation system be certified by the DFS; removes references within the Workers' Compensation Law to certified providers.

**Section 2.** Amends s. 440.102, F.S., to conform a cross reference.

**Section 3.** Provides an effective date of July 1, 2012.

### II. FISCAL ANALYSIS & ECONOMIC IMPACT STATEMENT

#### A. FISCAL IMPACT ON STATE GOVERNMENT:

##### 1. Revenues:

None.

##### 2. Expenditures:

The DFS informs that the bill will result in the reduction of 1 FTE and annual savings of \$40,187.

#### B. FISCAL IMPACT ON LOCAL GOVERNMENTS:

##### 1. Revenues:

None.

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<sup>1</sup> Section 440.13(1)(d), F.S.

<sup>2</sup> See Rule 69L-29.002, F.A.C., "Requirements for Certification." An overview of the certification process, "Certification as a Health Care Provider," is also available on the DFS website at <http://www.myfloridacfo.com/wc/> (Last accessed January 26, 2011).

<sup>3</sup> The requirement that physicians also complete a five-hour course on cost containment, utilization control, and other topics to obtain certification was removed by ch. 2001-91, L.O.F. The health care provider application form, however, has not been amended to reflect this change.

<sup>4</sup> DFS analysis of HB 4181 dated January 23, 2012, on file with staff of the Insurance & Banking Subcommittee.

2. Expenditures:

None.

C. DIRECT ECONOMIC IMPACT ON PRIVATE SECTOR:

The bill reduces the regulatory burden on health care providers that seek to participate in the workers' compensation system by eliminating an unnecessary certification process.

D. FISCAL COMMENTS:

None.

### III. COMMENTS

A. CONSTITUTIONAL ISSUES:

1. Applicability of Municipality/County Mandates Provision:

Not applicable. This bill does not appear to: require counties or municipalities to spend funds or take an action requiring the expenditure of funds; reduce the authority that counties or municipalities have to raise revenues in the aggregate; or, reduce the percentage of a state tax shared with counties or municipalities.

2. Other:

None.

B. RULE-MAKING AUTHORITY:

None.

C. DRAFTING ISSUES OR OTHER COMMENTS:

The DFS informs that, if enacted into law, the bill will require repeal of Rule 69L-29, FAC.

### IV. AMENDMENTS/ COMMITTEE SUBSTITUTE CHANGES

None.