



Illinois WC Reform: Changes on the Horizon

ON MAY 31 OF THIS YEAR, THE ILLINOIS HOUSE PASSED LEGISLATION WHICH MAY SIGNAL A SMALL STEP IN THE RIGHT DIRECTION TOWARD REFORMING THE STATE'S WORKERS' COMPENSATION (WC) SYSTEM. ALTHOUGH NOT YET SIGNED INTO LAW, GOVERNOR QUINN HAS PROMISED TO SIGN THE BILL, WHICH MAY PUT SOME OF THE NEW MEASURES INTO EFFECT AS EARLY AS SEPTEMBER 1, 2011.

A FEW OF THE KEY COMPONENTS OF THE BILL INCLUDE:

- A 30 percent reduction in the Medical Fee Schedule
- Elimination of lifetime wage differential payments. Employees eligible for such payments will receive them until age 67 or for five years, whichever is later
- Reduction in carpal tunnel payments to approximately 15 percent of a hand
- Creates a rebuttable presumption for workers injured while under the influence of illegal drugs or alcohol, which may result in no compensation if the intoxication proximately caused the injury
- Allows an employer to use a preferred provider organization approved by the Department of Insurance and requires employees to use those network providers, although employee may choose to decline
- Physicians must use AMA Guidelines to determine impairment
- Appointment of new Workers' Compensation arbitrators

Illinois employers have long been burdened with the second highest WC medical fee schedule and the third highest WC premiums in the country. The proposed changes may save businesses \$500 million to \$700 million per year, primarily in medical fees.

The strongest advocates for Illinois employers, however, feel that the bill did not go far enough to protect their interests. Notably lacking from this version of the bill was a proposed change to the causation standard, which would require an employee to prove his injury was truly caused by the job, and not by any other source.

According to the Illinois Workers' Compensation Commission, approximately 55,500 new claims were filed by employees in 2010.