

DEPARTMENT OF FINANCE BILL ANALYSIS

AMENDMENT DATE: July 1, 2011
POSITION: Neutral

BILL NUMBER: AB 1168
AUTHOR: R. Pan

BILL SUMMARY: Workers' Compensation: Vocational Expert Fee Schedule

This bill would require, on or before January 1, 2013, the Administrative Director of the Division of Workers' Compensation (DWC), within the Department of Industrial Relations, to adopt a fee schedule that establishes reasonable hourly fees paid for services provided by vocational experts and would prohibit payments in excess of those fees.

FISCAL SUMMARY

The DWC indicates that any costs resulting from this bill to draft implementing regulations would be minor and absorbable within existing resources.

COMMENTS

The Department of Finance is neutral on this bill as the cost to implement the measure would be minor and absorbable.

The adoption of a fee schedule for hourly fees for services provided by vocational experts would help control workers' compensation administrative costs. Currently the Official Medical Fee Schedule establishes maximum fees for medical services and medical-legal services, but does not include a fee schedule for vocational experts.

Existing law requires the administrative director, after public hearings, to adopt and revise periodically official fee schedules that establish reasonable maximum fees paid for, among other things, medical services, medicines, and medical supplies. Existing law authorizes the Workers' Compensation Appeals Board to determine and allow certain expenses as liens against any award of compensation.

This bill would require, on or before January 1, 2013, the administrative director to adopt, after public hearings, a fee schedule that establishes reasonable hourly fees paid for services provided by vocational experts. This bill would prohibit a vocational expert from being paid, and prohibit the appeals board from allowing, vocational expert fees in excess of those that are reasonable, actual, and necessary.

Code/Department Agency or Revenue Type	SO	(Fiscal Impact by Fiscal Year)							Fund Code
		LA	(Dollars in Thousands)						
	CO	PROP	FC	2011-2012	FC	2012-2013	FC	2013-2014	
	RV	98	FC						
7350/DIR	SO	No		-----	No/Minor	Fiscal Impact	-----		0223
<u>Fund Code</u>	<u>Title</u>								
0223	Workers' Comp Administration Revolv Fund								

Analyst/Principal (0241) J. Sturges	Date	Program Budget Manager Lisa Ann L. Mangat	Date
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Department Deputy Director	Date
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Governor's Office:	By:	Date:	Position Approved _____
			Position Disapproved _____

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