From: <u>kwood.mlac@gmail.com</u>

To: <u>VANWINKLE Theresa A \* DCBS</u>; <u>FILSINGER Cara L \* DCBS</u>

Cc: "Alan Hartley"; "Tammy Bowers"; "Kathy Nishimoto"; "Lynn McNamara"

Subject: SB 801 and 802

**Date:** Wednesday, March 24, 2021 7:36:28 PM

Good evening, Cara and Theresa.

As I will likely be unavailable to attend Friday, March 26<sup>th</sup> MLAC meeting, I would like to submit my comments on these bills. I know that it is unusual, but these are important bills I feel I would like my thoughts on the bills during this meeting.

SB 801: This bills seeks to have all self-insured employers run their claims processing through SAIF. It is unclear what problem this bill is trying to solve. This bill would, in effect, eliminate the need and benefits of being a self-insured employer. As you are aware, all self-insured employers are regulated by the Workers Compensation Division. The Workers Compensation Division conducts audits to ensure these employers are processing claims appropriately. In addition, the Workers Compensation Division has done specific audits related to the COVID-19 claims and their report shows no issues. The bill is unclear how it will address the costs SAIF will incur just to put enough staff in place to handle this additional workload nor how it will be appropriately compensated for handling the ongoing workload. This will add significant costs to the workers compensation system that have not been collected from employers to cover this cost.

SB 802: This bill seeks to place secondary effects of COVID-19 into a firefighter cancer presumption law. It is unclear what problem the proponents of this bill believe exist. At this point, it is unclear if there even are secondary effects so we would be solving a problem that doesn't currently exist. As MLAC has learned over the last year, the data shows that the workers compensation system is working properly with respect to COVID-19 claims. An overwhelming majority of the claims are being accepted (87% as of 2/1/21) which makes the need for such a bill as this unnecessary. This law would allow a worker to file a claim decades after the potential exposure making it relatively impossible to determine if it was contracted at work. It is not that I oppose the idea of providing coverage for secondary effects, I believe the current laws and rules in place address the workers who contract COVID-19 at work and it is unnecessary.

Respectfully, Kimberly Wood Co-Chair, Management Labor Advisory Committee