

ONE HUNDRED FIRST LEGISLATURE - FIRST SESSION - 2009
COMMITTEE STATEMENT (CORRECTED)
LB622

Hearing Date: Monday February 23, 2009
Committee On: Business and Labor
Introducer: Nordquist
One Liner: Provide time limits and penalties for late workers' compensation medical payments

Roll Call Vote - Final Committee Action:
Advanced to General File with amendment(s)

Vote Results:
Aye: 6 Senators Carlson, Council, Lathrop, McGill, Wallman, White
Nay:
Absent: 1 Senator Schilz
Present Not Voting:

Proponents:
Senator Nordquist
Lee Loudon
John Corrigan

Representing:
Introducer
Nebraska Association of Trial Attorneys
Nebraska AFL-CIO

Opponents:
Korby Gilbertson
Bob Hallstrom

Ron Sedlacek
Jack Cheloha
Daniel Fridrich

Representing:
Property Casualty Insurers Association of America
National Federation of Independent Business &
Nebraskans for Workers' Compensation Equity and
Fairness
Nebraska Chamber of Commerce
City of Omaha
Werner Enterprises, Inc.

Neutral:

Representing:

Summary of purpose and/or changes:

Amends Neb. Rev. Stat. 48-125 to extend 50% late charge fees currently applied to delinquent workers' compensation disability benefits to delinquent medical payments that are more than 30 days late.

Explanation of amendments:

AM 875 replaces the original provisions of LB 622 to address a recent Nebraska Supreme Court opinion, Lagemann v. Nebraska Methodist Hospital, 277 Neb. 335 (2009). Section 48-125 provides for 50% late fee penalties if an award is not received within 30 days of (1) notice of injury when there is no reasonable controversy or (2) after 30 days after a final order issued after an appellate court's mandate. The Lagemann Court interpreted this section to disallow late penalty fees for undisputed portions of an award pending appeal. The new language addresses Lagemann by permitting late penalties pending an appeal for those portions of the award for which there is no reasonable controversy.

Steve Lathrop, Chairperson