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State of Minnesota

HOUSE OF REPRESENTATIVES

NINETY-SECOND SESSION

H. F. No. 2253

- 03/17/2021 Authored by Sundin, Albright, Greenman, Ecklund, Lislegard and others
- 03/25/2021 The bill was read for the first time and referred to the Committee on Labor, Industry, Veterans and Military Affairs Finance and Policy
- Adoption of Report: Amended and re-referred to the Committee on Ways and Means
- Pursuant to Joint Rule 2.03, re-referred to the Committee on Rules and Legislative Administration
- R/S Rules Suspended, urgency declared
- Read for the Second Time
- Read for the Third Time
- Passed by the House and transmitted to the Senate
- 04/21/2021 Passed by the Senate and returned to the House
- 04/23/2021 Presented to Governor
- 04/26/2021 Governor Approval

1.1 A bill for an act

1.2 relating to workers' compensation; adopting recommendations of the Workers'

1.3 Compensation Advisory Council; amending Minnesota Statutes 2020, sections

1.4 176.101, subdivision 1; 176.136, by adding a subdivision; 176.1362, subdivisions

1.5 1, 6; 176.1363, subdivisions 1, 2, 3; 176.194, subdivisions 3, 4; 176.223, as

1.6 amended; 176.351, by adding a subdivision; Laws 2020, chapter 72, section 1.

1.7 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MINNESOTA:

1.8 Section 1. Minnesota Statutes 2020, section 176.101, subdivision 1, is amended to read:

1.9 Subdivision 1. **Temporary total disability.** (a) For injury producing temporary total

1.10 disability, the compensation is 66-2/3 percent of the weekly wage at the time of injury.

1.11 (b)(1) Commencing on October 1, 2013, and each October 1 thereafter, the maximum

1.12 weekly compensation payable is 102 percent of the statewide average weekly wage for the

1.13 period ending December 31 of the preceding year.

1.14 (2) The Workers' Compensation Advisory Council may consider adjustment increases

1.15 and make recommendations to the legislature.

1.16 (c) The minimum weekly compensation payable is \$130 per week or the injured

1.17 employee's actual weekly wage, whichever is less. Beginning on October 1, 2021, and each

1.18 October 1 thereafter, the minimum weekly compensation shall be 20 percent of the maximum

1.19 weekly compensation payable or the employee's actual weekly wage, whichever is less.

1.20 (d) Temporary total compensation shall be paid during the period of disability subject

1.21 to the cessation and recommencement conditions in paragraphs (e) to (l).

1.22 (e) Temporary total disability compensation shall cease when the employee returns to

1.23 work. Except as otherwise provided in section 176.102, subdivision 11, temporary total

2.1 disability compensation may only be recommenced following cessation under this paragraph,  
2.2 paragraph (h), or paragraph (j) prior to payment of 130 weeks of temporary total disability  
2.3 compensation and only as follows:

2.4 (1) if temporary total disability compensation ceased because the employee returned to  
2.5 work, it may be recommenced if the employee is laid off or terminated for reasons other  
2.6 than misconduct if the layoff or termination occurs prior to 90 days after the employee has  
2.7 reached maximum medical improvement. Recommended temporary total disability  
2.8 compensation under this clause ceases when any of the cessation events in paragraphs (e)  
2.9 to (l) occurs; or

2.10 (2) if temporary total disability compensation ceased because the employee returned to  
2.11 work or ceased under paragraph (h) or (j), it may be recommenced if the employee is  
2.12 medically unable to continue at a job due to the injury. Where the employee is medically  
2.13 unable to continue working due to the injury, temporary total disability compensation may  
2.14 continue until any of the cessation events in paragraphs (e) to (l) occurs following  
2.15 recommencement. If an employee who has not yet received temporary total disability  
2.16 compensation becomes medically unable to continue working due to the injury after reaching  
2.17 maximum medical improvement, temporary total disability compensation shall commence  
2.18 and shall continue until any of the events in paragraphs (e) to (l) occurs following  
2.19 commencement. For purposes of commencement or recommencement under this clause  
2.20 only, a new period of maximum medical improvement under paragraph (j) begins when the  
2.21 employee becomes medically unable to continue working due to the injury. Temporary total  
2.22 disability compensation may not be recommenced under this clause and a new period of  
2.23 maximum medical improvement does not begin if the employee is not actively employed  
2.24 when the employee becomes medically unable to work. All periods of initial and  
2.25 recommenced temporary total disability compensation are included in the 130-week limitation  
2.26 specified in paragraph (k).

2.27 (f) Temporary total disability compensation shall cease if the employee withdraws from  
2.28 the labor market. Temporary total disability compensation may be recommenced following  
2.29 cessation under this paragraph only if the employee reenters the labor market prior to 90  
2.30 days after the employee reached maximum medical improvement and prior to payment of  
2.31 130 weeks of temporary total disability compensation. Once recommenced, temporary total  
2.32 disability ceases when any of the cessation events in paragraphs (e) to (l) occurs.

2.33 (g) Temporary total disability compensation shall cease if the total disability ends and  
2.34 the employee fails to diligently search for appropriate work within the employee's physical  
2.35 restrictions. Temporary total disability compensation may be recommenced following

3.1 cessation under this paragraph only if the employee begins diligently searching for  
3.2 appropriate work within the employee's physical restrictions prior to 90 days after maximum  
3.3 medical improvement and prior to payment of 130 weeks of temporary total disability  
3.4 compensation. Once recommenced, temporary total disability compensation ceases when  
3.5 any of the cessation events in paragraphs (e) to (l) occurs.

3.6 (h) Temporary total disability compensation shall cease if the employee has been released  
3.7 to work without any physical restrictions caused by the work injury.

3.8 (i) Temporary total disability compensation shall cease if the employee refuses an offer  
3.9 of work that is consistent with a plan of rehabilitation filed with the commissioner which  
3.10 meets the requirements of section 176.102, subdivision 4, or, if no plan has been filed, the  
3.11 employee refuses an offer of gainful employment that the employee can do in the employee's  
3.12 physical condition. Once temporary total disability compensation has ceased under this  
3.13 paragraph, it may not be recommenced.

3.14 (j) Temporary total disability compensation shall cease 90 days after the employee has  
3.15 reached maximum medical improvement, except as provided in section 176.102, subdivision  
3.16 11, paragraph (b). For purposes of this subdivision, the 90-day period after maximum medical  
3.17 improvement commences on the earlier of: (1) the date that the employee receives a written  
3.18 medical report indicating that the employee has reached maximum medical improvement;  
3.19 or (2) the date that the employer or insurer serves the report on the employee and the  
3.20 employee's attorney, if any. Once temporary total disability compensation has ceased under  
3.21 this paragraph, it may not be recommenced except if the employee returns to work and is  
3.22 subsequently medically unable to continue working as provided in paragraph (e), clause  
3.23 (2).

3.24 (k) Temporary total disability compensation shall cease entirely when 130 weeks of  
3.25 temporary total disability compensation have been paid, except as provided in section  
3.26 176.102, subdivision 11, paragraph (b). Notwithstanding anything in this section to the  
3.27 contrary, initial and recommenced temporary total disability compensation combined shall  
3.28 not be paid for more than 130 weeks, regardless of the number of weeks that have elapsed  
3.29 since the injury, except that if the employee is in a retraining plan approved under section  
3.30 176.102, subdivision 11, the 130-week limitation shall not apply during the retraining, but  
3.31 is subject to the limitation before the plan begins and after the plan ends.

3.32 (l) Paragraphs (e) to (k) do not limit other grounds under law to suspend or discontinue  
3.33 temporary total disability compensation provided under this chapter.

4.1 (m) Once an employee has been paid 52 weeks of temporary total compensation, the  
4.2 employer or insurer must notify the employee in writing of the 130-week limitation on  
4.3 payment of temporary total compensation. A copy of this notice must also be filed with the  
4.4 department.

4.5 **EFFECTIVE DATE.** This section is effective for dates of injury on or after October  
4.6 1, 2021.

4.7 Sec. 2. Minnesota Statutes 2020, section 176.136, is amended by adding a subdivision to  
4.8 read:

4.9 Subd. 2a. **Penalties, costs, and expenses for improper collection or attempts to collect**  
4.10 **payment for medical services from an employee.** (a) The commissioner may assess  
4.11 penalties, costs, and expenses against a health care provider who collects or attempts to  
4.12 collect payment from an employee in violation of subdivision 2; section 176.135, subdivision  
4.13 7; or 176.83, subdivision 5, paragraph (c), as provided in this subdivision. For purposes of  
4.14 paragraphs (b) and (c):

4.15 (1) A violation occurs only if the health care provider or the provider's representative  
4.16 was informed that the treatment or service was for a claimed workers' compensation injury  
4.17 or that the bill should be submitted to a workers' compensation insurer.

4.18 (2) Once the health care provider has been provided the information described in clause  
4.19 (1), a violation occurs each time the health care provider, or any person acting on the  
4.20 provider's behalf or direction, collects or attempts to collect payment from the employee  
4.21 for charges on a bill for medical treatment or services. An attempt to collect payment from  
4.22 an employee includes:

4.23 (i) each contact made in person or by United States mail, telephone, text, e-mail, or any  
4.24 other type of contact seeking payment;

4.25 (ii) engaging a collection agency or other third party to collect from the employee;

4.26 (iii) filing a claim in conciliation court;

4.27 (iv) attaching the employee's tax refund; or

4.28 (v) submitting a report to a credit agency.

4.29 (b) The penalty assessed against a health care provider for each violation shall be \$1,000,  
4.30 payable to the assigned risk safety account, except that:

5.1 (1) the penalty shall be \$2,000, payable to the assigned risk safety account, for each  
5.2 violation if the employee paid the health care provider as a result of the violation, or for the  
5.3 violations described in paragraph (a), clause (2), items (ii) to (v); and

5.4 (2) the commissioner shall not assess a penalty under this paragraph unless the  
5.5 commissioner has documentation that the health care provider or the health care provider's  
5.6 representative has been provided with written notice that the attempted collection or collection  
5.7 from an employee is prohibited by workers' compensation law and that penalties may be  
5.8 assessed for a violation of the law. The notice required by this clause may be provided by  
5.9 any agency or person, including an employee, self-insured employer, insurer, third-party  
5.10 administrator, or attorney. The written notice required by this clause must only be provided  
5.11 once and once provided, the commissioner may assess penalties under this paragraph for a  
5.12 health care provider's or the health care provider's representative's improper collection or  
5.13 attempts to collect payment for medical services from any employee without provision of  
5.14 written notice required by this paragraph. Written notice provided before the effective date  
5.15 of this subdivision satisfies the notice requirement. The commissioner shall post on the  
5.16 department's website a model notice. The model notice is presumed to provide sufficient  
5.17 notice for purposes of this clause when provided to a health care provider's billing office  
5.18 by any agency or person.

5.19 (c) In addition to any penalty assessed under paragraph (b), the commissioner has the  
5.20 authority to order the health care provider to pay the employee the following amounts as  
5.21 reasonable reimbursement of costs and expenses incurred by the employee as a result of  
5.22 one or more violations, as provided in clauses (1) and (2), and to take all reasonable action  
5.23 to restore the employee's credit rating if it has been damaged as a result of the violation:

5.24 (1) the health care provider must reimburse the employee all amounts that the employee  
5.25 paid to the health care provider as a result of a violation, with interest, as specified in section  
5.26 176.221, subdivision 7; and

5.27 (2) for violations described in paragraph (a), clause (2), items (ii) to (v), the health care  
5.28 provider must reimburse the employee a minimum lump sum payment of \$500 for which  
5.29 no supporting documentation is required to be provided, in addition to costs or expenses  
5.30 documented by the employee over that amount.

5.31 Nonexclusive examples of costs and expenses incurred as a result of a violation include  
5.32 attorney fees, lost wages, filing fees, court costs, courier fees, photocopying or facsimile  
5.33 charges, telephone and postage charges, computer or research costs, witness fees, records,  
5.34 and travel expenses. Costs and expenses incurred by the employee as a result of a violation

6.1 are payable whether or not the health care provider has been provided with the notice  
6.2 described in paragraph (b), clause (2).

6.3 **EFFECTIVE DATE.** This section is effective for violations on or after August 1, 2021.

6.4 Sec. 3. Minnesota Statutes 2020, section 176.1362, subdivision 1, is amended to read:

6.5 Subdivision 1. **Payment based on Medicare MS-DRG system.** (a) Except as provided  
6.6 in subdivisions 2 and 3, the maximum reimbursement for inpatient hospital services, articles,  
6.7 and supplies is 200 percent of the amount calculated for each hospital under the federal  
6.8 Inpatient Prospective Payment System developed for Medicare, using the inpatient Medicare  
6.9 PC-Pricer program or the inpatient PPS Web Pricer for the applicable MS-DRG as provided  
6.10 in this subdivision. All adjustments included in the PC-Pricer program or the inpatient PPS  
6.11 Web Pricer are included in the amount calculated, including but not limited to any outlier  
6.12 payments.

6.13 (b) Payment under this section is effective for services, articles, and supplies provided  
6.14 to patients discharged from the hospital on or after January 1, 2016. Payment for services,  
6.15 articles, and supplies provided to patients discharged on January 1, 2016, through December  
6.16 31, 2016, must be based on the Medicare PC-Pricer program in effect on January 1, 2016.

6.17 (c) For patients discharged on or after May 31, 2017, payment for inpatient services,  
6.18 articles, and supplies must be calculated according to the PC-Pricer program identified on  
6.19 Medicare's website as FY 2016.1, updated on January 19, 2016.

6.20 (d) For patients discharged on or after October 1, 2017, payment for inpatient services,  
6.21 articles, and supplies must be calculated according to the PC-Pricer program or the inpatient  
6.22 PPS Web Pricer posted on the Department of Labor and Industry's website as follows:

6.23 (1) No later than October 1, 2017, and October 1 of each subsequent year until October  
6.24 1, 2021, the commissioner must post on the department's website the version of the PC-Pricer  
6.25 program that is most recently available on Medicare's website as of the preceding July 1.  
6.26 If no PC-Pricer program is available on the Medicare website on any July 1, the PC-Pricer  
6.27 program most recently posted on the department's website remains in effect.

6.28 ~~(2)~~ The commissioner must publish notice of the applicable PC-Pricer program in the  
6.29 State Register no later than October 1 of each year.

6.30 (2) Beginning on October 1, 2021, payment for inpatient services, articles, and supplies  
6.31 must be calculated using the inpatient PPS Web Pricer available on Medicare's website  
6.32 using the applicable dates of inpatient hospitalization. The department must publish the link  
6.33 to the inpatient PPS Web Pricer on its website.

7.1 (e) The MS-DRG grouper software or program that corresponds to or is included with  
7.2 the applicable version of the PC-Pricer program or inpatient PPS Web Pricer must be used  
7.3 to determine payment under this subdivision.

7.4 (f) Hospitals must bill workers' compensation insurers using the same codes, formats,  
7.5 and details that are required for billing for hospital inpatient services by the Medicare  
7.6 program. The bill must be submitted to the insurer within the time period required by section  
7.7 62Q.75, subdivision 3. For purposes of this section, "insurer" includes both workers'  
7.8 compensation insurers and self-insured employers.

7.9 **EFFECTIVE DATE.** This section is effective the day following final enactment.

7.10 Sec. 4. Minnesota Statutes 2020, section 176.1362, subdivision 6, is amended to read:

7.11 Subd. 6. **Postpayment audits; records; interest.** (a) The insurer may conduct a  
7.12 postpayment audit if both of the following requirements are met:

7.13 (1) the insurer paid the hospital's bill within 30 days according to the PC-Pricer program  
7.14 or inpatient PPS Web Pricer amount described in subdivision 1; and

7.15 (2) the amount paid according to the PC-Pricer program or inpatient PPS Web Pricer in  
7.16 subdivision 1 included an outlier payment.

7.17 (b) If an audit is permitted under paragraph (a), the insurer must request any additional  
7.18 records needed to conduct the audit within six months after payment. The records requested  
7.19 may include an itemized statement of charges. Within 30 days of the insurer's request, the  
7.20 hospital must provide the additional documentation requested. An insurer must not request  
7.21 additional information from a hospital more than three times per audit.

7.22 (c) An insurer must pay the hospital interest at an annual rate of four percent if it is  
7.23 determined that the insurer is liable for additional hospital charges following a postpayment  
7.24 audit. A hospital must pay the insurer interest at an annual rate of four percent if it is  
7.25 determined that the hospital owes the insurer reimbursement following the insurer's audit.  
7.26 Interest is payable by the insurer from the date payment was due under this section or section  
7.27 176.135. Interest is payable by the hospital from the date the overpayment was made.

7.28 **EFFECTIVE DATE.** This section is effective the day following final enactment.

7.29 Sec. 5. Minnesota Statutes 2020, section 176.1363, subdivision 1, is amended to read:

7.30 Subdivision 1. **Definitions.** (a) For the purpose of this section, the terms defined in this  
7.31 subdivision have the meanings given them.

8.1 (b) "Ambulatory surgical center" or "ASC" means a facility that is: (1) certified as an  
8.2 ASC by the Centers for Medicare and Medicaid Services; or (2) licensed by the Department  
8.3 of Health as a freestanding outpatient surgical center and not owned by a hospital.

8.4 (c) "Ambulatory surgical center payment system" or "ASCPS" means the system  
8.5 developed by the Centers for Medicare and Medicaid Services for payment of surgical  
8.6 services provided by federally certified ASCs as specified in:

8.7 (1) Code of Federal Regulations, title 42, part 416, including without limitation the  
8.8 geographic adjustment for the ASC ~~and the multiple surgical procedure reduction rule;~~

8.9 (2) annual revisions to Code of Federal Regulations, title 42, part 416, as published in  
8.10 the Federal Register;

8.11 (3) the corresponding addendum AA (final ASC covered surgical procedures), addendum  
8.12 BB (final covered ancillary services integral to covered surgical procedures), addendum  
8.13 DD1 (final ASC payment indicators), and any successor or replacement addenda; and

8.14 (4) the Medicare claims processing manual.

8.15 (d) "Conversion factor" means the Medicare ambulatory surgical center payment system  
8.16 (ASCPS) conversion factor used for ASCs that meet the Medicare quality reporting  
8.17 requirements, whether or not the ASC submitting the bill has met the quality reporting  
8.18 requirements.

8.19 (e) "Covered surgical procedures and ancillary services" means the procedures listed in  
8.20 ASCPS, addendum AA, and the ancillary services integral to covered surgical procedures  
8.21 listed in ASCPS, addendum BB.

8.22 (f) "Insurer" includes workers' compensation insurers and self-insured employers.

8.23 (g) "Medicare ASCPS payment" means the Medicare ASCPS payment used for ASCs  
8.24 that meet the Medicare quality reporting requirements, whether or not the ASC submitting  
8.25 the bill has met the Medicare quality reporting requirements.

8.26 **EFFECTIVE DATE.** This section is effective for services provided the day following  
8.27 final enactment.

8.28 Sec. 6. Minnesota Statutes 2020, section 176.1363, subdivision 2, is amended to read:

8.29 Subd. 2. **Payment for covered surgical procedures and ancillary services based on**  
8.30 **Medicare ASCPS.** (a) Except as provided in ~~subdivisions~~ subdivision 3 and 4, the payment  
8.31 to the ASC for covered surgical procedures and ancillary services shall be the lesser of:



9.1 (1) the ASC's total usual and customary charge for all services, supplies, and implantable  
9.2 devices provided; or

9.3 (2) the Medicare ASCPS payment on the total bill, times a multiplier of 320 percent.

9.4 (i) The amount payable under this clause includes payment for all implantable devices,  
9.5 even if the Medicare ASCPS would otherwise allow separate payment for the implantable  
9.6 device.

9.7 (ii) The 320 percent described in this clause must be adjusted if, on July 1, 2019, or any  
9.8 subsequent July 1, the conversion factor is less than 98 percent of the conversion factor in  
9.9 effect on the previous July 1. When this occurs, the multiplier must be 320 percent times  
9.10 98 percent divided by the percentage that the current Medicare conversion factor bears to  
9.11 the Medicare conversion factor in effect on the prior July 1. In subsequent years, the  
9.12 multiplier is 320 percent, unless the Medicare ASCPS conversion factor declines by more  
9.13 than two percent.

9.14 (iii) When more than one covered surgical procedure is included on a bill, payment shall  
9.15 be: (A) 100 percent of the applicable ASCPS payment amount under paragraph (a), clause  
9.16 (2), for the procedure with the highest ASC payment rate; and (B) 50 percent of the applicable  
9.17 ASC payment amount under paragraph (a), clause (2), for all other covered surgical  
9.18 procedures. However, the total payment must still not exceed the ASC's usual and customary  
9.19 charge for all services, supplies, and implantable devices provided. This item only applies  
9.20 when more than one procedure on a bill is identified as subject to multiple procedure  
9.21 discounting on Addendum AA.

9.22 (b) Payment under this section is effective for covered surgical procedures and ancillary  
9.23 services provided by an ASC on or after October 1, 2018, through September 30, 2019, and  
9.24 shall be based on the addenda AA, BB, and DD1 most recently available on the Centers for  
9.25 Medicare and Medicaid Services website as of July 1, 2018, and the corresponding rules  
9.26 and Medicare claims processing manual described in subdivision 1, paragraph (c).

9.27 (1) Payment for covered surgical procedures and ancillary services provided by an ASC  
9.28 on or after each subsequent October 1 shall be based on the addenda AA, BB, and DD1  
9.29 most recently available on the Centers for Medicare and Medicaid Services website as of  
9.30 the preceding July 1 and the corresponding rules and Medicare claims processing manual.

9.31 (2) If the Centers for Medicare and Medicaid Services has not updated addendum AA,  
9.32 BB, or DD1 on its website since the commissioner's previous notice under paragraph (c),  
9.33 the addenda identified in the notice published by the commissioner in paragraph (c) and the  
9.34 corresponding rules and Medicare claims processing manual shall remain in effect.

10.1 (3) Addenda AA, BB, and DD1 under this subdivision include successor or replacement  
10.2 addenda.

10.3 (c) The commissioner shall annually give notice in the State Register of any adjustment  
10.4 to the multiplier under paragraph (a), clause (2), and of the applicable addenda in paragraph  
10.5 (b) no later than October 1. The notice must identify and include a link to the applicable  
10.6 addenda. The notices and any adjustment to the multiplier are not rules subject to chapter  
10.7 14, but have the force and effect of law as of the effective date published in the State Register.

10.8 **EFFECTIVE DATE.** This section is effective for services provided the day following  
10.9 final enactment.

10.10 Sec. 7. Minnesota Statutes 2020, section 176.1363, subdivision 3, is amended to read:

10.11 Subd. 3. **Payment for compensable surgical services not covered under ASCPS.** (a)  
10.12 If a surgical procedure provided by an ASC is compensable under this chapter but is not  
10.13 listed in addendum AA or BB of the Medicare ASCPS, payment must be 75 percent of the  
10.14 ASC's usual and customary charge for the procedure with the highest charge. Payment for  
10.15 each subsequent surgical procedure not listed in addendum AA or BB must be paid at 50  
10.16 percent of the ASC's usual and customary charge.

10.17 (b) Payment must be 75 percent of the ASC's usual and customary charge for a surgical  
10.18 procedure or ancillary service if the procedure or service is listed in Medicare ASCPS  
10.19 addendum AA or BB and: (1) the payment indicator provides it is paid at a reasonable cost;  
10.20 or (2) the payment indicator provides it is contractor priced; ~~or (3) a payment rate is not~~  
10.21 ~~otherwise provided.~~

10.22 **EFFECTIVE DATE.** This section is effective for services provided the day following  
10.23 final enactment.

10.24 Sec. 8. Minnesota Statutes 2020, section 176.194, subdivision 3, is amended to read:

10.25 Subd. 3. **Prohibited conduct.** The following conduct is prohibited:

10.26 (1) failing to reply, within 30 calendar days after receipt, to all written communication  
10.27 about a claim from a claimant that requests a response;

10.28 (2) failing, within 45 calendar days after receipt of a written request, to commence  
10.29 benefits or to advise the claimant of the acceptance or denial of the claim by the insurer;

10.30 (3) failing to pay or deny medical bills within 45 days after the receipt of all information  
10.31 requested from medical providers that is necessary to make a payment determination;

11.1 (4) filing a denial of liability for workers' compensation benefits without conducting an  
11.2 investigation;

11.3 (5) failing to regularly pay weekly benefits in a timely manner as prescribed by rules  
11.4 adopted by the commissioner once weekly benefits have begun. Failure to regularly pay  
11.5 weekly benefits means failure to pay an employee on more than three occasions in any  
11.6 12-month period within three business days of when payment was due;

11.7 (6) failing to respond to the department within 30 calendar days after receipt of a written  
11.8 inquiry from the department about ~~a claim~~ a matter related to benefits. Responses must be  
11.9 substantive and address the question;

11.10 (7) failing to pay pursuant to an order of the department, compensation judge, court of  
11.11 appeals, or the supreme court, within 45 days from the filing of the order unless the order  
11.12 is under appeal;

11.13 (8) advising a claimant not to obtain the services of an attorney or representing that  
11.14 payment will be delayed if an attorney is retained by the claimant; ~~or~~

11.15 (9) altering information on a document to be filed with the department without the notice  
11.16 and consent of any person who previously signed the document and who would be adversely  
11.17 affected by the alteration;

11.18 (10) providing written information to the department or an employee pertaining to a  
11.19 workers' compensation matter that is fraudulent; or

11.20 (11) failing to pay a claim, or otherwise correct behavior on a claim, for which a penalty  
11.21 assessed has been paid or has become a final order.

11.22 **EFFECTIVE DATE.** This section is effective for prohibited conduct occurring on or  
11.23 after July 1, 2021.

11.24 Sec. 9. Minnesota Statutes 2020, section 176.194, subdivision 4, is amended to read:

11.25 Subd. 4. **Penalties.** The penalties for violations of subdivision 3, clauses (1) ~~through~~ to  
11.26 (6) ~~and (9)~~, are as follows:

|       |   |   |
|-------|---|---|
| 11.27 | 1st through 5th violation of each       | written warning                         |
| 11.28 | paragraph                               |   |
| 11.29 | 6th through 10th violation of each      | \$3,000 per violation in excess of five |
| 11.30 | paragraph                               |   |
| 11.31 | 11 or more violations of each paragraph | \$6,000 per violation in excess of ten  |

11.32 For violations of subdivision 3, clauses (7) ~~and (8)~~ to (11), the penalties are:

12.1 1st through 5th violation of each \$3,000 per violation  
12.2 paragraph

12.3 6 or more violations of each paragraph \$6,000 per violation in excess of five

12.4 The penalties under this section may be imposed in addition to other penalties under  
12.5 this chapter that might apply for the same violation. The penalties under this section are  
12.6 assessed by the commissioner and are payable to the commissioner for deposit in the assigned  
12.7 risk safety account. A party may object to the penalty and request a formal hearing under  
12.8 section 176.85. If an entity has more than 30 violations within any 12-month period, in  
12.9 addition to the monetary penalties provided, the commissioner may refer the matter to the  
12.10 commissioner of commerce with recommendation for suspension or revocation of the entity's  
12.11 (a) license to write workers' compensation insurance; (b) license to administer claims on  
12.12 behalf of a self-insured, the assigned risk plan, or the Minnesota Insurance Guaranty  
12.13 Association; (c) authority to self-insure; or (d) license to adjust claims. The commissioner  
12.14 of commerce shall follow the procedures specified in section 176.195.

12.15 **EFFECTIVE DATE.** This section is effective for violations on or after July 1, 2021.

12.16 Sec. 10. Minnesota Statutes 2020, section 176.223, as amended by Laws 2020, Seventh  
12.17 Special session chapter 1, article 2, section 12, is amended to read:

12.18 **176.223 PROMPT FIRST ACTION REPORT.**

12.19 (a) For purposes of this section:

12.20 (1) "insurer" means a workers' compensation insurer licensed in Minnesota and a  
12.21 self-insured employer approved to self-insure by the commissioner of commerce;

12.22 (2) "prompt first action" means that an insurer commenced payment of wage loss benefits,  
12.23 or filed a denial of liability for an injury or for wage loss benefits, within the time frames  
12.24 required by section 176.221, subdivision 1; and

12.25 (3) "wage loss benefits" means temporary total disability, temporary partial disability,  
12.26 and permanent total disability benefits, as described in section 176.101.

12.27 (b) No later than March 15 of each year, beginning on March 15, 2022, the department  
12.28 shall publish a report providing data for each insurer on the total number of the insurer's  
12.29 claims, and the number and percentage of the insurer's claims with prompt first action. The  
12.30 report must be based on data that the insurer reported to the commissioner in the previous  
12.31 calendar year, except that the commissioner may exclude incomplete or unreliable data.  
12.32 ~~Each report shall contain the required information for each of the last four years the report~~  
12.33 ~~has been compiled so that a total of five years is included. The department shall make the~~

13.1 ~~report available to employers and shall provide a copy to each insurer listed in the report~~  
 13.2 ~~for the current year. The five most recent reports must be published on the department's~~  
 13.3 ~~website.~~

13.4 (c) On or before January 15 ~~of each year, 2022, and on or before each January 15~~  
 13.5 ~~thereafter~~, the department must provide each insurer listed in the report with notice of the  
 13.6 data on that insurer that the department plans to include in the report. By February 15, 2022,  
 13.7 ~~and by each February 15 thereafter~~, the insurer must ~~notify the department in writing of~~  
 13.8 ~~inaccurate data reported to the commissioner and of any corrections to the data that should~~  
 13.9 ~~be reflected in the March 15 report. Effective the day following final enactment, the insurer~~  
 13.10 ~~must~~ electronically file ~~the~~ corrected data with the commissioner in CAMPUS in order for  
 13.11 it to be reflected in the March 15 report.

13.12 **EFFECTIVE DATE.** This section is effective the day following final enactment.

13.13 Sec. 11. Minnesota Statutes 2020, section 176.351, is amended by adding a subdivision  
 13.14 to read:

13.15 **Subd. 2b. Subpoenas not permitted of department employees who provide**  
 13.16 **assistance.** The commissioner and any employee of the department shall not be subject to  
 13.17 a subpoena for purposes of providing expert testimony or describing the nature of assistance  
 13.18 or advice provided under this chapter. This prohibition does not apply to: testimony of a  
 13.19 department employee in a workers' compensation enforcement proceeding brought by the  
 13.20 commissioner; a dispute in which the commissioner or the special compensation fund is a  
 13.21 party; or a qualified rehabilitation consultant, qualified rehabilitation consultant intern, or  
 13.22 job placement coordinator employed in the department's vocational rehabilitation unit  
 13.23 established under section 176.104, who has provided rehabilitation, job placement, or job  
 13.24 development services under a rehabilitation plan for an employee with a workers'  
 13.25 compensation claim.

13.26 **EFFECTIVE DATE.** This section is effective the day following final enactment.

13.27 Sec. 12. Laws 2020, chapter 72, section 1, the effective date, is amended to read:

13.28 **EFFECTIVE DATE.** This section is effective for employees who contract COVID-19  
 13.29 on or after the day following final enactment. Paragraph (f) sunsets ~~on May 1, 2021~~ at 11:59  
 13.30 p.m. on December 31, 2021. Employees with dates of injury that occur on or after January  
 13.31 1, 2022, are not entitled to the presumption in section 176.011, subdivision 15, paragraph  
 13.32 (f), but are not precluded from claiming an occupational disease as provided in other

14.1 paragraphs of section 176.011, subdivision 15, or from claiming a personal injury under  
14.2 section 176.011, subdivision 16.

14.3 **EFFECTIVE DATE.** This section is effective the day following final enactment. If  
14.4 Laws 2020, chapter 72, section 1, subdivision 15, paragraph (f), has expired on the effective  
14.5 date of this section, then paragraph (f) is revived and reenacted retroactive to May 1, 2021.