



## SB 863 – Implementing California’s 2012 Workers’ Comp Reform Legislation

**Background:** On August 31, the California Legislature passed SB 863, the most wide-ranging legislative retooling of the workers’ comp program since the 2004 reforms. This bill was designed to reduce frictional costs, expedite delivery of medical care to injured workers, and to increase permanent disability benefits. Gov. Brown lobbied hard for SB 863 and is expected to sign the bill this month. Implementation begins January 1, 2013, so the workers’ compensation community must gear up quickly. SB 863 will require changes in claim operations and negotiation strategies, as it affects major areas, including new rules for Medical Provider Networks, the reimbursement of physician fees and other services, medical treatment and billing dispute resolution, the lien process, new methodologies for PD rating, and revised supplemental job displacement benefits.

To help insurers and industry professionals understand the nature, scope and timing of the changes, and to prepare appropriate responses and policies, CWCI will present a 1-day seminar at 2 locations in mid-October. The seminar will feature faculty presentations supported by audio-visuals and written materials reviewing practical implications of the legislative changes, interactive discussions, guidance on important reference materials and Q&A sessions. Topics include:

- **Changes in Indemnity Benefits**

- Permanent Disability
  - o Changes in Weekly Benefits
  - o Adoption of the 1.4 WPI Modifier
  - o Limits on Psych, Sleep & Sexual Dysfunction Add-Ons
  - o Elimination of the DFEC
  - o Elimination of 15% Bumps
  - o \$120 M RTW Fund Through DIR
- Supplemental Job Displacement Benefits
  - o Dates of Injury Prior to 1/1/13
  - o Dates of Injury o/a 1/1/13
- Death Benefits: Dates of Injury o/a 1/1/13
  - o Survivor benefits
  - o Burial expenses

- **Changes in Medical Care**

- Revised MPN Rules
- New Rules: Non-MPN Physician Reports
- Surgical Implant Pass-Through Payments
- Interpreter Requirements for Medical Care

- **New Systems for Billing & Treatment Disputes**

- Independent Bill Review as of 1/1/13
- Independent Medical Review as of 1/1/13

- **New Fee Schedules**

- Physician Fees – the Transition to RBRVS
- Ambulatory Surgery Center Fees
- Home Health Care
- Interpreter Services
- Vocational Experts
- Copy Services

- **The Lien Process**

- Lien Filing Fees
- Activation Fees for Existing Liens
- Statute of Limitations

**Seminar Format:** CWCI will hold the seminar in Long Beach and San Francisco. The program will run from 9 am to 3:30 pm, with a 1-hour lunch at noon and morning and afternoon breaks. Attendees will receive a course manual with presentation outlines, summaries of key provisions, timelines on effective dates for various changes and information on areas requiring regulations.

**Continuing Ed Units:** CWCI is a State Bar of California approved MCLE provider (5 hours). The Institute also will provide certificates of attendance upon completion of the program for submission to the Association of Hearing Reps of California and for the verification of hours for those in need of credit for the California Department of Insurance workers’ compensation claims adjuster certification requirements.

**Cost:** Tuition covers the 1-day program, course manual, Continental breakfast, lunch, and a beverage break. Standard tuition is \$395, with a \$75 discount available for employees of CWCI members (see the back of the registration form).

Space is limited, and registrations will be accepted in the order received and can only be accepted if space is available, so register early. For immediate registration, go to [www.cwci.org](http://www.cwci.org), or you can fax or mail the registration form with payment information. Additional flyers and registration forms can be downloaded from our website. Credit card charges will be processed via Authorize.net. For more info, call CWCI at 510-251-9470.



## SB 863 – Implementing California’s 2012 Workers’ Comp Reform Legislation

**General Information:** The seminar will be given at the following locations:

### Monday, October 15

#### The Grand Long Beach Event Center

4101 East Willow St., Long Beach  
(562) 426-0555

#### Just off Lakewood Blvd, 1 block south of I-405

- Take the 405 to Long Beach and exit south on Lakewood Blvd
- Turn right on Willow St., then right on Grand Ave. The Grand Event Center is on the right. Parking in the Event Center Garage is free. Note: **Do Not Park at the Jewish Community Center.**

### Friday, October 19

#### Hotel Nikko, San Francisco

222 Mason St., San Francisco (415) 394-1111

#### Located on Mason between Ellis & O’Farrell

- Take BART to Powell St. and go 1 block north on Cyril Magnin St. to Ellis St.; or
- From the Bay Bridge, exit at Fremont St., left on Howard. Turn right on 5<sup>th</sup> St. and cross Market St where it turns into Cyril Magnin St. Turn left on Ellis to Taylor turn right at O’Farrell to Mason. Downtown Center Garage (O’Farrell & Mason). Hotel is across the street.
- From 101 take I-80 toward the Bay Bridge, take 7<sup>th</sup> St. exit and stay in the far right lane to Bryant. Turn right on Bryant then left at 5<sup>th</sup> St. and cross Market St. where it becomes Cyril Magnin St. Turn left on Ellis to Taylor turn right at O’Farrell to Mason. Downtown Center Garage (O’Farrell & Mason). Hotel Nikko is across the street.

**Attire:** Business casual. **For your comfort, please dress in layers as the presentation room is often cool.** Slacks with a sweater and coat or jacket are highly recommended.

**Registration:** Pre-registration and prepayment are required. The easiest way to register is to enroll online by clicking “Seminars” at [www.cwci.org](http://www.cwci.org) to access the online registration system. Registrations will be accepted in the order in which **forms with payment** are received, so register early.

Registrations are subject to space availability and any registration for which payment is received after Oct. 11 and walk-ins may be wait-listed and admitted after 9 a.m. if space is available. Check-in and continuing education sign-in begin at 8 a.m. The seminar will begin at 9 a.m. and adjourn by 3:30 p.m, with Continental breakfast, lunch and beverage breaks provided.

**Tax Deductibility of Expenses:** See Treasury Reg. 1.162-5 Coughlin v. Comm., 203 F.2d.307.

**Cancellations/Substitutions:** The tuition, less a \$50 cancellation fee may be refunded only if notice is submitted in writing, postmarked or faxed 10 calendar days prior to the program. However, another attendee may be substituted at any time, and the syllabus will be mailed to registrants who are unable to attend and fail to meet the cancellation deadline.

**Faculty:** The faculty includes CWCI’s Claims and Medical Director, the Institute’s General Counsel, as well as defense attorney Richard Jacobsmeyer.

#### Brenda Ramirez

Claims and Medical Director  
California Workers’ Compensation Institute  
Oakland

#### Richard Jacobsmeyer, Attorney at Law

Shaw, Jacobsmeyer, Crain & Claffey PC  
Oakland

#### Michael McClain

General Counsel  
California Workers’ Compensation Institute  
Oakland



## SB 863 – Implementing California’s 2012 Workers’ Comp Reform Legislation REGISTRATION FORM

Note: The fastest and easiest way to register for CWCI seminars is to enroll online. Simply click the “Seminar” button at [www.cwci.org](http://www.cwci.org) for seminar information or to sign up using the online registration system. Alternatively, you may return this form, along with payment, by mail or fax as noted below.

Please accept the following registration(s) for the CWCI seminar, “**SB 863 – Implementing California’s 2012 Workers’ Comp Reform Legislation**” Check the date and location:

\_\_\_ **Grand Long Beach Event Center**, Monday, October 15    \_\_\_ **Hotel Nikko, San Francisco**, Friday, October 19

Please Type or Print Clearly (For additional registrants, photocopy this form.)

Name(s): \_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

Company: \_\_\_\_\_

Email: \_\_\_\_\_

Telephone: \_\_\_\_\_ Fax: \_\_\_\_\_

Address: \_\_\_\_\_

City/State/ZIP: \_\_\_\_\_

☐ Check here for a receipt to be faxed or emailed

☐ Check here to request a vegetarian lunch

To advise us of special needs, call CWCI at 510-251-9470.

**NOTE:** CWCI members are insurers licensed to write workers’ comp in California or self-insured employers who pay dues and assessments to CWCI. Only regular employees of member companies qualify for the member company rate. If you qualify, note your company code (listed on the reverse) in the space below. All other registrants must pay standard tuition. **Nonmembers who submit member tuition will not be registered unless the full \$395 tuition is received prior to the seminar. To meet the deadline, registrations w/credit card info may be submitted online from the seminar page at [www.cwci.org](http://www.cwci.org); faxed to CWCI at 510-251-9485; or mailed to CWCI, 1111 Broadway, Suite 2350, Oakland, CA 94607-4009.**

Standard Tuition

Circle Applicable Amount  
\$395

CWCI Member Regular Employee Rate    CWCI Co. ID # (see reverse) \_\_\_\_\_

\$320

Credit card option: Please charge the tuition to (check one):    \_\_\_ Visa    \_\_\_ M/C    \_\_\_ Am/Ex

Name on account: \_\_\_\_\_

Account #: \_\_\_\_\_ Expiration Date: \_\_\_\_\_

Credit Card Billing Address: \_\_\_\_\_

City, State, ZIP: \_\_\_\_\_

Signature: \_\_\_\_\_



## SB 863 – Implementing California’s 2012 Workers’ Comp Reform Legislation

CWCI Member Insurers		CWCI Associate Members (Self-Insured)	
Code	Company	Code	Company
21	ACE USA	22	Adventist Health
23	Alaska National Insurance Company	24	Agilent Technologies
25	AmTrust North America	26	City of Santa Ana
27	Chartis Insurance	28	City of Torrance
29	Chubb Group of Insurance Companies.	30	Contra Costa County Schools Ins. Group
31	CNA	32	Costco Wholesale
33	CompWest Insurance Company	34	County of San Bernardino Risk Mgmt
35	Crum & Forster	36	County of Santa Clara Risk Mgmt
37	EMPLOYERS	38	Dignity Health
39	Everest National Insurance Company	40	Foster Farms
41	Farmers Insurance Group	42	Grimmway Enterprises
43	Fireman’s Fund Insurance Company	44	Kaiser Foundation Health Plan, Inc.
45	The Hartford Insurance Group	46	Marriott International, Inc.
47	ICW Group	48	Pacific Gas & Electric Company
49	Liberty Mutual Insurance	50	Safeway, Inc.
51	Meadowbrook Insurance Group	52	Schools Insurance Authority
53	Pacific Compensation Insurance Company	54	Sempra Energy
55	Preferred Employers Insurance Company	56	Shasta County Risk Management
57	SeaBright Insurance Company	58	Southern California Edison
59	Springfield Insurance Company	60	Sutter Health
61	State Compensation Insurance Fund	62	University of California
63	State Farm Insurance Companies	64	The Walt Disney Company
65	Travelers		
67	XL Insurance		
69	Zenith Insurance Company		
71	Zurich North America		

### ABOUT CWCI

Founded in 1964, the California Workers’ Compensation Institute is a private, nonprofit organization working to improve the California workers’ compensation system through research, education, information, and representation. Institute members include workers’ compensation insurers, as well as public and private self-insured employers.