

Fiscal impact reports (FIRs) are prepared by the Legislative Finance Committee (LFC) for standing finance committees of the NM Legislature. The LFC does not assume responsibility for the accuracy of these reports if they are used for other purposes.

Current FIRs (in HTML & Adobe PDF formats) are available on the NM Legislative Website (legis.state.nm.us). Adobe PDF versions include all attachments, whereas HTML versions may not. Previously issued FIRs and attachments may be obtained from the LFC in Suite 101 of the State Capitol Building North.

FISCAL IMPACT REPORT

SPONSOR Leavell DATE TYPED 3/15/2005 HB _____

SHORT TITLE Workers' Comp Independent Medical Exam SB 45/aHJC

ANALYST Dunbar

APPROPRIATION

Appropriation Contained		Estimated Additional Impact		Recurring or Non-Rec	Fund Affected
FY05	FY06	FY05	FY06		
	NFI				

(Parenthesis () Indicate Expenditure Decreases)

Workers' Compensation Administration (WCA)

SUMMARY

Synopsis of HJC Amendment

The House Judiciary Committee amendment to Senate Bill 45 expands the criteria on the use of an independent medical examination when a dispute exists between the parties to include:

- the reasonableness or necessity of medical or surgical treatment,
- the date upon which maximum medical improvement was reached,
- the correct impairment rating for the worker,
- the cause of an injury or any other medical issue.

WCA supports this amendment.

Synopsis of Original Bill

Senate Bill 45 reverses an appellate court decision which held that a workers' compensation judge was not authorized to order an independent medical examination of a worker on his or her own motion. This bill allows a Workers' Compensation Judge to order an independent medical examination on his or her own motion any time it will assist with the determination of any issue in the case.

Significant Issues

This bill has been approved by the Workers' Compensation Advisory Council

PERFORMANCE IMPLICATIONS

Workers' Compensation Administration states that the bill will reduce the average pending time of a workers' compensation case prior to a formal hearing. WCA notes that the information received from an independent medical exam will result in much improved judgments.

FISCAL IMPLICATIONS

None anticipated. The employer is already obligated to pay for independent medical examinations

ADMINISTRATIVE IMPLICATIONS

Any additional load can be absorbed without additional resources.

CONFLICT, DUPLICATION, COMPANIONSHIP, RELATIONSHIP

The bill overturns the decision in *Ramirez v. IBP Foods*, 130 NM 559 (Ct App, 2001)

TECHNICAL ISSUES

OTHER SUBSTANTIVE ISSUES

According to WCA without this legislation, there will be continued degradation of judicial decision-making where the parties fail to request an independent medical examination. Enactment of this legislation will provide faster and higher quality decisions in workers' compensation cases where an additional medical opinion would be helpful.

BD/lg:yr