



Colorado Division of Workers' Compensation

2018

# LEGISLATIVE UPDATE

This year the General Assembly adopted three bills that impact workers' compensation in Colorado. This summary briefly highlights some of the key substantive and procedural changes.

## SB18-178 - Similar Coverage Independent Commercial Vehicles

*Signed: 5/4/18 | Effective: 8/8/18*

This act allows operators of commercial vehicles weighing in excess of 16,001 pounds to obtain "occupational accident" coverage in lieu of workers' compensation. Any such policy must comply with regulations set forth by the Division of Insurance.

### Highlights:

- Benefits offered under the occupational accident policy must be "at least comparable" to workers' compensation benefits.
- Will require rule making by the Division of Insurance to set minimum standards for coverage.



## HB18-1429 Workers' Compensation Cash Fund Maximum Reserve Exemption

*Signed: 6/6/18 | Effective: 6/6/18*

This act exempts the Workers' Compensation Cash Fund from the statutory cap on uncommitted reserves. This restores a previous exemption which was removed in 2017. The exemption will allow the Division of Workers' Compensation to avoid the need to dramatically readjust the surcharge amount paid by insurers and self-insured employers.



## HB18-1308 Workers' Compensation Out-of-state Workers Temporarily In Colorado

*Signed: 4/30/18 | Effective: 4/30/218*

This act exempts out of state employers from the requirement to obtain workers' compensation coverage for employees temporarily in Colorado if certain conditions are met. The exemption only applies to contiguous states (Wyoming, Kansas, Oklahoma, New Mexico, Arizona, and Utah) and only if the employer's home state offers similar reciprocity.

### **Highlights:**

- Defines "temporarily working" as a period of sustain work less than six months or interstate movement of goods.
- Requires the employee to be covered under workers' compensation coverage in their home state.

## Colorado Uninsured Employer Fund:



The portion of penalties and fines owed to the Division of Workers' Compensation shall be made payable to the Colorado Uninsured Employers Fund.

## Attention Claims Representatives:

Are you prepared for the 2% cost of living adjustment (COLA) increase on your permanent total disability (PTD) claims with dates of injury between 7/1/91 and 6/30/94? These claims require a new final admission of liability reflecting a 2% PTD rate increase every July 1.

## Surcharge Rates for 2018

Workers' Compensation Cash Fund: **0.9%**

Premium Cost Containment Program: **0.3%**

Subsequent Injury Fund/Major Medical Fund: **0.1%**

**CALCULATE, FILE & PAY SURCHARGE ONLINE**



## Rule Updates

If you've missed any of our updated rules, you can find them easily on our website at [colorado.gov/cdle/dwc](http://colorado.gov/cdle/dwc). Be sure to sign up for our mailing list to receive notifications on rulemaking.

### Changes That Impact Self-Insured Employers

- Self-insured employers will now be required to report their semiannual payroll, under oath, in a flat file format utilizing the Division's online surcharge application.
- The experience rating factor as calculated by NCCI will no longer be required. Instead, an experience rating factor of 1.0 will be used.
- In addition to the previously required payroll information, Rule 2 now requires self-insured employers to include job titles of all employees.
- For the semiannual assessment period July 1, 2018 through December 31, 2018, self-insured employers must report total payroll no later than January 10, 2019 and pay no later than January 31, 2019. For the semiannual assessment period January 1, 2019 through June 30, 2019, self-insured employers must report total payroll no later than July 10, 2019 and pay no later than July 31, 2019.

