



CSAC EXCESS INSURANCE AUTHORITY LEGISLATIVE PLATFORM

GENERAL STATEMENT OF PURPOSE

The CSAC Excess Insurance Authority (hereinafter EIA) Legislative platform is intended to broadly identify positions of general agreement on issues of interest to the EIA that may become the subject of legislation or regulation. EIA Staff, under the direction of the Legislative Committee, may submit letters of support/opposition and/or undertake other tasks, either individually or in concert with other Public Entity groups, on proposed legislation and regulation that is consistent with the areas identified in this platform.

WORKERS' COMPENSATION PLATFORM

IN GENERAL

EIA supports the concept of preserving the original intent of the Workers' Compensation Act, including the exclusive remedy doctrine, in delivering prompt and fair benefits to employees injured on the job.

EIA supports the concept of preventing or correcting abuses in the Workers' Compensation system.

PRESUMPTIONS

EIA supports an amendment to the Labor Code to limit presumptions applicable to specified government employees. EIA opposes the concept of granting separate benefits for government employees.

TAX EXEMPTIONS

EIA supports the concept that tax exemptions on temporary disability should extend only to the statutory maximum as determined by L.C. 4453.

APPORTIONMENT

EIA supports the concept of apportionment for causation and/or disability which is the result of other industrial or non-industrial injuries, conditions or diseases.

MEDICAL-LEGAL FEE SCHEDULE

EIA supports the concept of paying fair and reasonable fees for medical and medical-legal costs under the Workers' Compensation system.

WORKERS' COMPENSATION APPEALS BOARD

EIA supports continuation of the original legislative intent that the Workers' Compensation Appeals Board be a forum for the efficient and expeditious resolution of issues.

VOCATIONAL REHABILITATION AND SUPPLEMENTAL JOB DISPLACEMENT BENEFITS

EIA supports reasonable measures to assist employees in returning to suitable, gainful employment.

MANAGED CARE

EIA supports efforts to encourage effective managed care in controlling the cost of providing medical treatment to injured employees under the Workers' Compensation system.

MEDICAL CARE

EIA supports the concept of treatment guidelines based on evidence-based medicine that are designed to cure and relieve from the effects of an industrial injury.

TORT LIABILITY PLATFORM

IN GENERAL

EIA opposes any extension of liability that would increase the costs of local government.

LIMITING DAMAGES

EIA supports minimizing or limiting the level of punitive or exemplary damages awardable in tort actions. EIA supports a limitation on the amount of non-economic damages in tort actions.

JOINT AND SEVERAL LIABILITY

EIA supports abolishing or significantly limiting joint liability among multiple defendants or, in lieu thereof, establishing several liability.

COLLATERAL SOURCES

EIA supports allowing evidence of collateral sources of compensation for the same injury to be admissible in court.

PREJUDGMENT INTEREST

EIA opposes allowing interest on awards prior to judgment.

TORT REFORM

EIA supports changes to restore balance to the tort system, including:

(a) Personal injury compensation reform, modeled on the Medical Injury Compensation Reform Act (MICRA), to all areas of personal injury liability, including the following four major reforms:

- a cap on pain and suffering;

- periodic payments;
- a sliding scale limitation on lawyers' contingency fees;
- elimination of double recovery for economic losses.

(b) Change the rules governing punitive damages to assure that these actions are used as punishment only in cases where punishment is warranted, and not used as a "settlement hammer" to extort money from innocent defendants.

(c) Reinforce immunity to state and local government agencies for damages arising from the condition of public improvements which were safe at the time they were designed and constructed.

IMMUNITIES

EIA supports the concept of immunities for public entities that provide, sponsor, or conduct recreational activities for the public.

COMPARATIVE NEGLIGENCE

EIA supports the use of the principle of comparative negligence.

MEDICAL INJURY COMPENSATION REFORM ACT (MICRA)

EIA opposes changes in MICRA which would modify the \$250,000 cap on noneconomic damage awards.

THIRD PARTY LIABILITY

EIA opposes legislation to expand the third-party liability of public agencies for violations, injuries to workers or mishaps for which another employer is responsible.

SAFETY AND LOSS CONTROL PLATFORM

IN GENERAL

EIA opposes any organized movement to authorize enforcement of Cal-OSHA regulations as criminal offenses or that will authorize enforcement by an authority other than Cal-OSHA.

SAFETY STANDARDS

EIA supports organized movement designed to minimize regulatory differences between state and federal standards on any given subject.

ERGONOMICS

EIA supports ergonomic standards that are scientifically based.

RIGHT TO KNOW HAZARDOUS MATERIALS

EIA supports organized movement designed to coordinate federal and state hazardous materials programs to eliminate redundancy.

CAL-OSHA STANDARDS

EIA opposes the promulgation of Cal-OSHA Standards Board proposals and standards that apply only to public entities.

SAFETY PROGRAMS

EIA supports the development and implementation of regulations designed to protect workers from safety and health threats. EIA opposes penalty increases, criminal sanctions and unnecessary or unreasonable standards that may impose significant mitigation costs on public entity employers without meaningfully improving safety.

WRAP-UP PROGRAMS

EIA supports the use of wrap-up programs to facilitate good loss control.

EMPLOYEE HEALTH BENEFITS PLATFORM

IN GENERAL

Supports universal access to health care coverage through one of the following options:

(1) an individual mandate which would enable each person to secure health care coverage from their employer, purchase it themselves, or be placed in a pool (Joint Powers Authority) with recipients of government benefits at the individual's expense based upon ability to pay; or

(2) increased voluntary access by encouraging more managed care, establishing local purchasing cooperatives and prohibiting discriminatory practices on the part of providers. We recognize that an individual mandate, while providing significantly more people with access to full health coverage, will still increase overall health care costs in an amount somewhat equal to any national proposal. The significant difference is that employers won't pay the full cost under an individual mandate. EIA acknowledges that the additional costs of an individual mandate will create a need for increased revenues and is committed to working with all interested parties to find an equitable funding mechanism.

EIA opposes employers being mandated to provide health care coverage.

EIA opposes any significant increase in governmental bureaucracy.

EIA opposes price controls.

EIA opposes new or expanded health benefit entitlement programs.

MANAGED COMPETITION

EIA supports the concept of a managed competition approach with a system of regional Joint Powers Authorities that will "pool" employers/employees to enable cost control through managed care and group purchase of health care. These Joint Powers Authorities, in EIA's view, encourage a more competitive market system and ultimately will prove to be more efficient than a regulatory approach.

EIA opposes the utilization of "trusts" in lieu of Joint Powers Authorities to pool employers/employees. EIA opposes "trusts" because they may not conform to federal/state governmental codes/regulations, financial reporting standards (i.e., State Controllers Office, GASB 10 Accounting Standards), are not subject to the Brown Act and may not adhere to current professional operation standards.

COST CONTAINMENT PROCEDURES

EIA supports the use of cost containment procedures.

EIA supports the concept of avoiding the duplication of expensive services within a geographical area (e.g. MRI's, CT Scanners, Linear Accelerators).

EIA supports expanding the universal billing concept (already available including electronic billing of inpatient hospital bills).

EIA opposes mandated coverage that specifies coverage and benefits to be included in health plans or policies.

EIA opposes the concept of drug company rebates to providers (conflict of interest).

EIA opposes the concept of direct consumer advertising of prescriptions and supports the American Medical Association's opposition to such advertising.

REGULATION

EIA supports continued exemption from Knox-Keene regulation.