

STATEMENT OF PURPOSE

RS24313

This bill reverses an Idaho Supreme Court ruling, *Neel vs. Western Construction, Inc.*, 147 Idaho 146, 206 P.3d 852 (2009), which has resulted in increased medical expenses in many workers' compensation cases. The Court in *Neel* imposed a judicially - created financial penalty on employers and sureties who reasonable contest but lose a claim for medical services. The *Neel* decision requires payment of medical expenses in an amount greater than the amount provided under the Industrial Commission's medical fee schedule. The bill returns the law to the status quo prior to *Neel*, and eliminates the judicially - created financial penalty on employers and sureties who have acted reasonably. This bill does not affect Section 72-804, Idaho Code, which grants the Industrial Commission statutory authority to make an award of reasonable attorney fees to an employee if the Commission finds that an employer or its surety contested a claim without reasonable grounds.

FISCAL NOTE

There is no fiscal impact on the General Fund.

Contact:

Representative Neil A. Anderson
(208) 332-1000
Mike McPeak
Gardner Law
(208) 387-0881