

March 06, 2013 2011-2013 Vol. 19

GENERAL SESSION

February 27, 2013

Program: <u>HB265 Workforce Services Job Listings Amendments</u>

Presented by: Business/Labor/Public Utilities & Technology/ Workforce Services/Community & Economic Development

Director: Shauna Scott-Bellaccomo

Chair: Brandy Farmer

Speakers: Lincoln Shurtz – Lobbyist, Utah League of Cities & Towns

(Unable to attend)

Rep. Paul Ray (R) Dist. 13 (Davis County) – sponsor, HB265

In the absence of **Lincoln Shurtz**, Ms. Scott-Bellaccomo outlined the bill's intent, which is to require all government entities and private companies contracting with government entities to list their jobs on the Workforce Services website. Workforce Services handles most of the unemployed looking for work. In order to receive unemployment and other government benefits, a person must register with Workforce Services and show proof of actively looking for work.

There are also many private companies providing employment services offering the same job search services as does the Workforce Services website. Often, these sites don't want all the unemployed applying for certain jobs which may be meant for a select group of applicants. But these sites also want their clients to be able to apply for jobs listed on the Workforce Services website. This seems unfair.

Rep. Ray talked about how the bill came about. He has been working on a task force to assist veterans' reintegration back into civilian life. The first place the veteran is directed in his job search is Workforce Services. He believes there are not enough job listings on the Workforce Services for veterans and an effort is needed to acquire more. Many other states, he added, already have laws similar to **HB265**.

Rep. Ray then addressed the question of very small business contractors who would also be required to search through large numbers of resumes from respondents off the Workforce Services website. Would this not be an undue financial burden on the contractor? He said the proposed changes to the bill would make it a recommendation rather than a requirement

He also mentioned a point system used in some other states' contracting practices. Listing jobs on those states' websites would give contractors extra points for their bids. Although Utah doesn't currently have such a system, Utah contractors may bid on multistate contracts and benefit from a point system.

Reported by Stuart Gygi

General Session II

Program: <u>SB55 Insurance Coverage for Autism Spectrum Disorder</u>

Presented by: Business/Labor/Public Utilities & Technology/ Workforce Services/Community & Economic Development

Director: Shauna Scott-Bellaccomo

Chair: Brandy Farmer

Speakers: Sen. Brian Shiozawa (R) Dist. 8 (Salt Lake County) **Bryan Kohler** – Lobbyist for Intermountain Healthcare (IHC)

Sen. Shiozawa, speaking for his bill, said 33 other states have already embraced the concept behind it with their own legislation. The bill amends the pilot program for autism spectrum disorders services in the Medicaid program. It also defines the age of children who may participate in the Medicaid autism treatment pilot program to "between at least two years old and less than seven years old." The current program tops out at age six. About 18,000 such children live in Utah. Our state, he said, has the highest autism rate in the nation.

A year ago, the pilot program was launched with the goal of collecting data on the feasibility of financing early intervention for 250 autistic children. Sen. Shiozawa said that although data is still "scanty" at this point, he firmly believes it indicates the state would benefit from investing in the coverage program. Explaining that the biggest cost to Medicaid comes the form in institutionalization later in life, he said SB55 "takes the next bold step" after the pilot program, which is to require insurance companies to cover early intervention costs. These, he argued, would be "virtually insignificant" when spread across the policyholder pool, amounting to about 5-15 cents monthly per policyholder.

Responding to questions, he said the fiscal note on SB55 is estimated to be \$1.3M in 2014 and \$1.85M in 2015. This would fund coverage for state employees, and the Children's Health education. Insurance Program (CHIP). He is very sensitive to Utah's public education funding needs, and wants to deflect the costs of **SB55** away from education. His hope is that private insurance will be the vehicle for funding. Sen. Shiozawa, by profession an emergency physician, said he will probably need to run a substitute bill to get the votes it needs to pass, but he was not ready to give details on the form that bill might take.

Bryan Kohler responded by first congratulating Sen. Shiozawa for bringing this issue forward. The medical community, he said, has led out on the process of putting forth creative options for dealing with this health care problem in our state. Participants with the insurance market include small business, large business,

government payer (Medicare & Medicaid), and the self-insured.

Mr. Kohler believes the government payer option may be one of the most viable options for autism spectrum coverage, as the most people would then share the financial responsibility, decreasing the load on each individual.

Responding to questions, Mr. Kohler added that another possibility would be to extend the pilot program study to get more data before moving ahead. One of the reasons insurance companies have been slow to respond with coverage is the difficulty of identifying the effectiveness of the many treatments that are becoming available. He contended that mandating this kind of coverage would put Utah small business at a competitive disadvantage. They would have to pay higher insurance premiums for their employees. Small businesses, he said, are the first to drop insurance coverage when rates go up.

Reported by Pam Grange

General Session III

Program: SB147 Workers' Compensation & Occupational Safety Related Amendments SB121 Traffic Regulations Regarding Buses

- Presentations are for Information Only -

Presented by: Business/Labor/Public Utilities & Technology/ Workforce Services/Community & Economic Development

Director: Shauna Scott-Bellaccomo

Chair: Brandy Farmer

Speaker: Sen. Karen Mayne (D) Dist. 5 (Salt Lake County – West Valley)

Sen. Mayne opted not to discuss **SB121**, preferring to focus on SB147, which she referred to as a "clean up" bill. Its history began two years ago, when she sponsored SB35 Construction Licensees Related Amendments. That bill was created to shut down a dishonest practice occurring with a new Utah contracting company that was beginning spread to to construction trade companies. The owners of the company had begun to entice their workers, who often didn't understand English well, to sign on as "owners" of the LLC. The workers thereby relinquished

workers' compensation and other benefits, worked longer hours, and could be paid less because of this legal technicality.

Remember, the senator continued, labor is the mitigating factor in the construction trades' costs. The company in question was able to outbid competitors, take advantage of low English-speaking workers, and bilk the state of tax revenue, all at the same time. She estimated that since the passage of **SB35** Utah has collected over \$1M in rightfully owed taxes that otherwise would have been lost to the state. Sen. Mayne

described her new bill, **SB147**, as one that will "update" **SB35** to catch the companies that have still managed to "slip through the cracks" of the law.

Mentioning another of her bills, S.B. 121 Workers' **Compensation** Waiver Amendments, she said it would be a "winwin" for workers. the Workers' Compensation system, and insurance companies. It would require a health benefit plan to pay for medical benefits otherwise covered, if an application for hearing is filed with the Labor Commission and while a

workers' compensation claim is being adjudicated.

Simply stated, insurance companies could pay the worker while the Workers' Compensation process moves through the system. A Dept. of Labor judge would give a ruling as to which should ultimately pay. If the ruling were to go against Workers' Compensation, it would be required to pay compensation, plus 8%. Some insurance companies, she said, have already indicated their support of this bill.

Reported by Pam Grange

NOTE: The document "**NOMINEES FOR BIENNIUM 2013 – 2015**" is a separate addendum to this volume of the WSLC Bulletin.

THIS BULLETIN IS A PUBLICATION OF THE WOMEN'S STATE LEGISLATIVE COUNCIL OF UTAH, INC.

http://www.wslcofutah.org

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Printed by AlphaGraphics 117 West 900 South Salt Lake City, UT 84101