

NEVADA WORKERS' COMPENSATION CHRONICLE



Department of Business & Industry (B&I)

A Publication of the Workers' Compensation Section (WCS)

Division of Industrial Relations (DIR)

Summer Edition (June - August) 2009

This newsletter is not intended to provide legal advice to the reader. Legal opinions or interpretations of statutes and regulations referenced here should be sought from competent legal professionals.

2009 LEGISLATIVE CHANGES

The 75th regular session of the Nevada Legislature proved to be quite active regarding workers' compensation legislation. What follows is a condensed recap of all pertinent bills. This summary is not guaranteed to be all inclusive, and interested readers are strongly encouraged to read the bills in their entirety via the Web links provided.



Some bills require the DIR Administrator to adopt regulations. General information about the regulation process is included in this newsletter (see "Regulation Process Encourages Public Input" on page 5). Specific dates and times of upcoming regulation workshops and hearings will be posted on the WCS Web site with e-mail notices sent to those signed up in the WCS database <http://dirweb.state.nv.us/WCS/handouts/electronicenroll.htm>

Assembly Bill 24

Section 11 of the AB 24 defines "catastrophic injury," and **Section 12** of this bill requires the Administrator of the Division of Industrial Relations of the Department of Business and Industry to adopt regulations for the determination of injuries as catastrophic injuries in addition to those described in section 11. **Section 15** of this bill requires an adjuster who administers a claim for a catastrophic injury to be competent and qualified. **Section 15** also requires the Administrator to adopt regulations prescribing the qualifications for such an adjuster. **Section 16** of this bill requires an insurer that accepts a claim for a catastrophic injury to develop a life care plan for the injured employee within 90 days after the date of the acceptance of the claim. **Section 16** also requires the Administrator to adopt certain regulations concerning life care plans. **Section 17** of this bill allows an insurer that has accepted a claim for a catastrophic injury to rescind or revise its determination that the injury is a catastrophic injury under certain circumstances. This act becomes effective: 1. Upon passage and approval for the purpose of adopting regulations [June 9, 2009]; and 2. On **October 1, 2009**, for all other purposes.

AB 173

Existing law prohibits the payment of compensation for an occupational disease unless a preponderance of evidence establishes that the disease arose out of and in the course of employment. (NRS 617.358) **Section 4** of this bill exempts claims for certain occupational diseases from this requirement. Existing law (continued on page 3)

6th Edition Public Hearing Cancelled

The public hearing set for **June 30 at 1:30** on the adoption of the 6th Edition of the AMA Guides and proposed regulations is cancelled. This hearing was slated for video-conferencing between the Bradley Building in Las Vegas and the Department of Business and Industry's hearing room in Carson City, NV.

Senate Bill 195 of the 2009 Nevada State Legislature requires that permanent partial disability examinations continue to be done in accordance with the American Medical Association's Guide to the Evaluation of Permanent Impairment, 5th edition. SB 195 was reaffirmed by the Senate and Assembly with overrides of the governor's veto on May 31, 2009. <http://leg.state.nv.us/75th2009/Reports/history.cfm?ID=547>

Proposed regulation changes to **NAC 616C.021** will be presented for a public hearing at a later date. Proposed changes to **NAC 616C.476** will be presented at a public workshop at a date to be determined.

Those interested in receiving future workshop and hearing notices should ensure that they have signed-up in the WCS e-mail data base. <http://dirweb.state.nv.us/WCS/handouts/electronicenroll.htm> *

HOT TOPIC

Tips for Ensuring Employer Compliance

Greetings from the Northern District office. As I review the last quarterly newsletter, my focus is drawn to the WCS mission statement that reflects, in part, agency commitment to "ensure employer compliance with the mandatory coverage provisions." It occurs to me that the majority of employers contacting me believe, in good faith, that they have complied with mandatory workers' compensation provisions. Unfortunately, this contact usually happens after the employer receives an administrative fine or premium penalty determination for a lapse of workers' compensation coverage.

Often the violations are for one day coverage lapses because of a misunderstanding between the employer and their insurer about the exact coverage dates.

For example, policy XXXXX00 might cancel on June 1 at 12:01 am, and a new policy XXXXX01 is issued effective June 2 at 12:01 am. This gap in policy effective dates, unfortunately, creates a one day lapse of coverage for the employer.

We encourage employers to be proactive with their insurer to ensure that policy coverage and renewals are uninterrupted and avoid coverage lapses. The insurance policy information or declaration provides specific information on exact policy period dates and times, as well as specific policy limits. A little (Continued on page 4)

- C ① Legislative Changes
- O ① 6th Edition Public Hearing Cancelled
- N ① Hot Topic: Employer Compliance
- T ② Confusion Corner: '1099 Workers'
- E ② Fraud Watch: PTD Fraud
- N ④ Current OSHA Forms
- T ④ Form Focus: New D-35
- S ④ Reporting Reminders
- ④ State Holiday Office Closures
- ⑤ The Regulation Process
- ⑥ Hails & Farewells
- ⑥ OSHA Chief Retires
- ⑥ Summer Training: June-August



FRAUD WATCH

JURY FINDS PTD CLAIMANT GUILTY OF FRAUD: PART I



On May 21, 2009, in a case pending before the 8th Judicial District Court in Clark County, the jury found Steve Barfield guilty of fraud. Although Barfield has not been sentenced, one result is a known. The conviction for committing fraud operates to forfeit all workers' compensation benefits arising out of this industrial injury, including any rights to reopen.

Barfield suffered an industrial injury in 1995. He was awarded PTD benefits in 2001. In 2003 the provider became suspicious and ordered an activities check be undertaken. What was found raised an interesting question as to what constitutes earnings.

A person is totally disabled only so long as he or she is incapable of returning to any form of employment. Additionally, a person is required to report any earnings made while collecting PTD benefits. Generally earnings can be thought of as receiving payment of some kind for services rendered. Income derived from passive sources certainly should not be considered reportable earnings. Dividends earned from stock investments would not preclude the receipt of PTD benefits. Logically, income from a family-owned and run business should not be treated any differently. The question becomes one of the level of participation in the business affairs by the claimant.

Barfield argued that his wife owned a silk screening business and although he may have spent some time in the business he did not have any reportable earnings because he did not receive a paycheck. Barfield asserted the business was in his wife's name, which was mostly true. The wife, however, had a full-time job and was never at the business. The next line of defense was that their twenty-something year old son was the "manager" of the business and that the video surveillance showing Barfield going to the business and staying for normal business hours was just so he could get out of the house and be watched by the son. There were many flaws in this theory even though no videos could be obtained from inside the business showing activities by Barfield.

The video surveillance showed plenty. Four days over a six week period showed a consistent pattern. Drive wife to her work, return home for a short period, drive to business, open business, stay at business until late in the afternoon, and return home with wife. The "manager," Stevie Jr., was never seen.

There is not enough space in this column to detail all the misrepresentations that were made and that which were revealed by the video surveillance. Whatever doubt remained after a review of the video evidence quickly dissipated with the unusual and amusing testimony of Stevie, Jr.

Stevie Jr. did a remarkable imitation of the male form of "Clueless." He managed one other employee, Barry. What is Barry's last name? "I don't know." How do you pay Barry by check if you do not know his last name? "He is paid by a paychecks company." You use a payroll company to pay for one employee? "Sure."

Management details were not Stevie's forte. The problem was there existed several business transactions done in the name of Steve Barfield. The argument those documents were executed by Stevie Jr. the manager and not Steve the Dad could not survive Stevie's theories of business management. An exasperated Stevie finally erupted after failing to be able to describe even basic details of the business operations. "Come on, Dude. What do you want?"

Simply stated, all we want is the truth. The fact Barfield did not get a check was not very significant. The jury believed he did in fact perform activities for the business. Since both he and his wife had claimed on multiple occasions the business did not have any employees it was not hard to accept the notion that Barfield's activities were in replacement for what would have been done by an employee. The labor costs savings would necessarily mean more income for the family business. Barfield received compensation for services rendered on the back end. This was enough to convince the jury that fraud had been committed.

The video surveillance evidence also played a role in discovering misrepresentations regarding his physical condition. Those issues will be more fully explored in the next issue.

Barfield was not totally disabled because he in fact demonstrated he could be employed in some capacity because he was in fact doing so. Thinking you can play the system by hiding benefits paid in an indirect manner can be costly as Barfield discovered. He, now, has a new title-Felon!

Anyone suspecting this type of fraud or any fraud associated with workers' compensation should contact the Attorney General's fraud hotline at **1-800-266-8688**. Other information about detecting workers' compensation fraud is also available on our Web site: <http://ag.state.nv.us/org/bcj/wcfu/wcfu.htm>

Brian Kunzi, Director, Workers' Compensation Fraud Unit



CONFUSION CORNER

Insight into 1099 Workers

In this edition, we'll continue to look at common questions and answers. A recurrent WCS Help question requests coverage requirements for "1099 workers":

"If a business sub-contracts approximately \$800.00 per year to an individual who is paid by 1099 compensation, does

the business need to carry worker's compensation on this individual?"

There are really two underlying questions here: 1) Is the subcontracted business considered an independent enterprise under workers' compensation law? And 2) Does paying someone using IRS Form 1099 have any bearing on their "employee" status?

NRS 616A.210 covers the issue of subcontractors and employees, while **NRS 616B.603** provides a detailed definition of

"Independent Enterprises." In addition, information from the Attorney General's Workers' Compensation Fraud Unit "Workers' Compensation Myth: I Don't Need Coverage Because I Use Independent Contractors" sheds some light on this complex subject. <http://dirweb.state.nv.us/wcs/handouts/myth.pdf>

As for "1099 workers," the Internal Revenue Service allows employers to report compensation made to non-employees using

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(Legislative Changes, cont. from page 1)

establishes diseases of the lung and heart as occupational diseases of and police officers. (NRS 617.455, 617.457) **Sections 5 and 6** of this bill provide that such diseases are also occupational diseases of an arson investigator. **Sections 1-3** of this bill add arson investigators to provisions relating to such diseases. The amendatory provisions of sections 4, 5 and 6 of this act apply only to claims filed on or after **October 1, 2009**.

[AB 214](#)

Existing law provides for certain police officers suffering from certain occupational diseases to receive disability benefits. (NRS 617.135, 617.455, 617.457, 617.485, 617.487) Existing law defines "police officer" for the purpose of providing those disability benefits to include various law enforcement officers in this State. (NRS 617.135) Existing law also grants the powers of peace officers to certain park rangers and employees of the Division of State Parks of the State Department of Conservation and Natural Resources. (NRS 289.260) **Section 1** of this bill expands the definition of "police officer" to make certain employees of the Department of Public Safety and certain park rangers and division employees of the State Department of Conservation and Natural Resources eligible for the disability benefits provided to police officers. **Section 1.5** of this bill makes an appropriation to the Division of State Parks to provide for any physical examinations or blood tests required pursuant to this bill in the next biennium. This act becomes effective on **July 1, 2009**.

[AB 281](#)

Under existing law, an insurer is required to accept or deny a claim for compensation within 30 days after the insurer has been notified of an industrial accident. (NRS 616C.065) **Section 2** of this bill provides that if an insurer is ordered by the Administrator of the Division of Industrial Relations of the Department of Business and Industry, a hearing or appeals officer, a district court or the Supreme Court of Nevada to make a new determination relating to a claim for compensation, such a determination must be made within 30 days after the order. Existing law provides that an injured employee may choose an alternative treating physician or chiropractor after making his initial choice if the alternative choice is made within 90 days after the injury. (NRS 616C.090) **Section 3** of this bill clarifies existing law by providing that an

injured employee may make the alternative choice without the insurer's approval if the alternative choice is made within 90 days after the injury. **Section 3** also provides that an injured employee may make a change in the treating physician or chiropractor at any time, subject to the insurer's approval. **Section 3** further requires an insurer to provide to an injured employee whose request for a change in the treating physician or chiropractor has been denied the specific reason for the denial. **Section 4** of this bill provides that the affidavit or declaration of a qualified laboratory director, chemist or any other person meeting certain qualifications may be used to prove the existence of alcohol or controlled substances in an employee's system in denying, reducing or suspending the payment of compensation for an injury. (NRS 616C.230) **Section 5** of this bill revises existing provisions governing the denial of compensation to injured employees who have been discharged for misconduct by providing that only compensation for temporary total disability may be denied. (NRS 616C.232) **Section 6** of this bill revises existing law by requiring an insurer to notify an injured employee whose claim will be closed whether an evaluation for a permanent partial disability has been scheduled or, if such an evaluation has not been scheduled, that the reason is because the insurer determined there is no possibility of a permanent impairment of any kind. (NRS 616C.235) **Sections 7 and 8** of this bill authorize certain contested claims relating to certain occupational diseases of police officers, firefighters and emergency medical attendants to be submitted directly to an appeals officer, thereby bypassing the hearing officer to whom the contested claim would need to be submitted under existing law. (NRS 616C.315) **Section 8** also requires that the appeals officer set a hearing date within 60 days after receiving a notice of any such contested claim. (NRS 616C.345) **Section 9** of this bill requires that the appeals officer render a decision for any such contested claim within 15 days after certain specified events. (NRS 616C.360) **Section 11** of this bill repeals the provisions requiring a reduction in the compensation received by an employee for temporary disability, permanent partial disability or permanent total disability by the amount of federal disability insurance benefits received by the employee. (NRS 616C.430) **Sections 1 to 6, inclusive, 10 and 11** of this act become effective

on **July 1, 2009**. 2. **Sections 7, 8 and 9** of this act become effective on **October 1, 2009**.

[AB 410](#)

Section 1 of this bill allows the provisions of collective bargaining agreements between certain employers and the labor organizations that represent their employees to supersede various statutory provisions relating to industrial insurance. Such collective bargaining agreements may include provisions which establish processes for alternative dispute resolution, lists of medical evaluators and providers of medical treatment, joint safety committees, programs for light-duty or modified job responsibilities and programs for vocational rehabilitation. This act becomes effective on **July 1, 2009**.

[AB 521](#)

Under existing law, cancer which results in temporary disability, permanent disability or death is an occupational disease and compensable as such under the provisions of chapter 617 of NRS if the cancer develops or manifests itself out of and in the course of employment of a person who, for 5 years or more, has been employed as a full-time firefighter or has been acting as a volunteer firefighter and who, during the course of the employment, was exposed to a known carcinogen that is reasonably associated with the disabling cancer. Existing law also sets forth a list of substances that shall be deemed to be known carcinogens that are reasonably associated with specific disabling cancers. (NRS 617.453) This bill expands the list of substances which are deemed to be known carcinogens that are reasonably associated with specific disabling cancers. This act becomes effective on **July 1, 2009**.

[Senate Bill 6](#)

Existing law provides that, under certain circumstances, heart disease of a volunteer firefighter constitutes an occupational disease for purposes of chapter 617 of NRS. (NRS 617.457) **Section 2** of this bill removes the requirement that the heart disease must have occurred before the volunteer firefighter reached 55 years of age. **Section 2** also revises the frequency with which the volunteer firefighter must submit to a physical examination to detect such heart disease and makes the benefits of NRS 617.457 contingent upon the volunteer firefighter's submission to the physical examinations scheduled by his employer. Finally, **Section 2** provides that a volunteer firefighter applicant 50 (Continued on page 4)

(Hot Topic, cont. from page 1)
precaution and attention to detail help the WCS mission statement become a reality for the employers and their employees.
Charlotte LaCombe
Northern District Manager

Employers Must Use Current OSHA Forms

Please note that the latest forms for Occupational Safety and Health Administration recordkeeping are available on the OSHA Web site: <http://www.osha.gov/recordkeeping/index.html> Data collection methods changed in 2002, and the forms have gone through several revisions. The current forms can be downloaded in Excel format for use on a personal computer. These forms are also used for the Survey of Occupational Injuries and Illnesses (SOII) which is now available for online participation. It is very important to use the most current form when completing the survey. Anyone with questions about the OSHA forms or the Survey of Occupational Injuries and Illnesses, should contact Jeanne Denison at 866-931-1215 or jsdenison@business.nv.gov *

FORM FOCUS: D-35

Due to conversion to a new information management system, as of **June 16, 2009**, the WCS Medical Unit has begun a form processing change. The "Request for Rotating Physician or Chiropractor," [D-35 Form](#) will still be processed as before. WCS will assign a rating physician or chiropractor and return the D-35 form. However, the new D-35 Form has been changed to include the rating physician or chiropractor's phone number and is now posted on the WCS' web site. Therefore the courtesy letter which contained the rater's address and telephone will no longer be sent with the completed D-35 Form. **Please discard all outdated D-35 forms and use the new form.**

If you have any questions, contact the Medical Unit of your local WCS office: Las Vegas (702) 486-9080 or Reno/Carson City (775) 684-7270. *

STATE OF NEVADA
Holiday Office Closures:
Independence Day
Friday, July 3, 2009

Direct comments or suggestions about this newsletter to: *Mike Brooks, Editor*, or *Terry Simi, Assistant Editor*, in the Workers' Compensation Section, Henderson Office (702) 486-9019 or to: WCShelp@business.nv.gov

REPORTING REMINDERS

Insurers and TPAs must notify WCS of any changes such as name, address, phone and fax numbers. Changes should be communicated to us via the *Insurer Information Form*, which can be found on our Web site under "Insurer Information". Insurers must also notify the DIR of TPA changes.

ALL NEVADA WORKERS' COMPENSATION INSURERS, including private carriers, SIEs (both active and inactive), and associations, are required to submit the following reports or face possible administrative fines.

✓ Watch for the *FY09 Workers' Compensation Claims Activity Report* and *Insurer Information Form* packet to be distributed via e-mail in late summer/early fall 2009. Last year, blank forms and instructions were distributed via e-mail on Sept. 15, 2008 and can still be found on our Web site at <http://dirweb.state.nv.us/wcs/wcsanrp.htm> or by e-mailing us at WCSRA@business.nv.gov.

✓ The *2009 Permanent Total (PT) Disability Claim Report (NRS 616C.453)* form will be sent out in early July 2009. Last year's *PT Disability Claim Report* Form and Instructions were distributed via e-mail in July 08 and can still be found on our Web site at <http://dirweb.state.nv.us/wcs/wcs.htm> under "Insurer Information."

✓ *Occupational Disease Claim Report(s) (OD-8) or Statement of Inactivity (NRS 617.357)* is an ongoing reporting requirement. Certain occupational diseases of the heart, lungs, diseases that are infectious or relate to cancer are required to be reported as outlined in NRS 617.357. *Statements of Inactivity are due* by the first week of January if applicable.

PRIVATE CARRIERS must also report *Proof of Coverage (POC)* information to NCCI within 15 days of the effective date of the issuance, renewal, cancellation, nonrenewal, reinstatement or reissuance of a policy of workers' compensation insurance. Carriers must also report endorsements that materially affect the proof of coverage (i.e. insured name or address changes) within 15 days of their effective date. Questions may be directed to WCS Research and Analysis at (702) 486-9080. *

(Legislative Changes, cont. from page 3)
years of age or older may be responsible for payment of the costs of his physical examinations but will be reimbursed for those costs if he becomes a volunteer firefighter. This act becomes effective on **July 1, 2009**.

SB 195

Existing law establishes the duty of an insurer to accept or deny a claim for compensation. (NRS 616C.065) **Section 2** of this bill provides that the failure of an insurer to indicate the acceptance or denial of a claim for a part of the body or condition does not constitute a denial or acceptance thereof. **Section 3** of this bill requires that the Fifth Edition, rather than the most recent edition, of the American Medical Association's *Guides to the Evaluation of Permanent Impairment* must be applied in all examinations for a permanent partial disability. **Section 4** of this bill revises provisions governing the denial of compensation due to discharge from employment for misconduct. Existing law authorizes a hearing officer and appeals officer to order a medical examination of an injured employee to determine the injured employee's condition or to determine the necessity of treatment for which authorization for payment has been denied. (NRS 616C.330, 616C.360) **Sections 5 and 6** of this bill authorize a hearing officer or appeals officer to consider the opinion of an examining physician or chiropractor, in addition to the opinion of an authorized treating physician or chiropractor, in determining the compensation payable to the injured employee. **Section 7** of this bill revises existing law to allow factors other than the degree of physical impairment of the whole man to be considered in calculating the entitlement to compensation for a permanent partial disability involving injury or disease caused by stress. **Section 9** of this bill increases the maximum amount of burial expenses that may be paid as a death benefit from \$5,000 to \$10,000, plus the cost of transporting the remains of the deceased employee. **Section 10** of this bill revises provisions governing the imposition of administrative fines for certain violations by an insurer, organization for managed care, health care provider, third-party administrator or employer. **Sections 11 and 16** of this bill define and establish continuous care coverage as a line of insurance for which a producer may be licensed. Such coverage includes health insurance and may include insurance for workers' compensation only when issued jointly with and supplemental to the (Continued on page 5)

Regulation Process Encourages Public Input

The 75th regular session of the Nevada Legislature convened from Feb 2 – June 1, 2009. For those interested in workers’ compensation laws, this was a notably active session (see “2009 Legislative Changes” on page 1) making now a good time to review the process of regulation development and implementation.

As most know, the Nevada Legislature enacts the various sections of the Nevada Revised Statutes. The sections of the NRS that affect workers’ compensation are NRS 616A through D and NRS 617. Shortcuts to each of these sections can be reached on our Web site <http://dirweb.state.nv.us/WCS/wcs.htm> under the “Nevada Law” menu option. As changes to the NRS are made by the Legislature and signed into law by the governor, the laws are then provided to the Legislative Counsel Bureau for codification. Each of the changes has an effective date associated with it.

Most laws are relatively straightforward and do not require any clarification or description of processes required to oversee compliance. However, some of the reasons a regulation may be required include a need to place them into context with existing statutes and regulations, descriptions and development of steps to comply with the statute, or the Division of Industrial Relations may need to develop a form or other product. In those cases, we may need to develop a regulation. It is worthwhile to note at this point that the NRS always takes precedence over the Nevada Administrative Code.

Regulation development and implementation is a multi-step process that takes some time to complete. The first step is for the DIR to consider the subject matter of a potential regulation and make a written determination whether it is likely the regulation will have an impact on small businesses – those with fewer than 150 full or part-time employees.

After this small business impact consideration, two public meetings must be held. The first of these is a workshop. Interested parties are notified at least 15 days before the meeting and asked to make comments regarding the DIR’s intent to draft a regulation. These inputs are considered, documented and summarized for possible inclusion in the pending regulation. After this meeting, the regulation is drafted and then reviewed by the LCB.

The next public meeting is a hearing after the regulation(s) have been drafted. The public is notified of the DIR’s intent to publish regulations 30 days before the date of the upcoming hearing and provided draft copies of the regulations. Comments about the proposed regulations are received and evaluated for possible changes to the drafts. A final draft of a regulation is completed which documents public comment and what was or was not incorporated. The draft-adopted regulation is then forwarded to the LCB for codification. When codified by LCB, it is published in the appropriate NAC.

Obviously, this can be a relatively lengthy process. Changes to specific laws made by the Legislature may be published in the appropriate NRS section fairly quickly following a session. However, the regulations associated with the specific NRS sections make take several months to become effective.

The regulation development and implementation process is open and participative. WCS sends e-mail notifications of all workshops and hearings and posts notices on the WCS Web site and in key public buildings. After regulations have been codified, WCS posts these regulations and notifies all contacts in the WCS e-mail database. To sign up for e-mail notification go to the WCS Web site: <http://dirweb.state.nv.us/WCS/handouts/electronicenroll.htm>

The aim of the process is to provide sensible oversight and implementation tools to all stakeholders in Nevada’s workers’ compensation system. *

(Confusion Corner, cont. from page 2)
Form 1099-Misc. Typically, federal tax, Social Security and Medicare deductions are not made for these workers. There are certain IRS criteria that allow an employer to use this reporting and payment option in declaring these workers as “non-employees.” However, this federal criteria has no bearing on Nevada’s definition of a bona-fide employee who must be covered under workers’ compensation statutes (NRS 616A.105 – 616A.225). *

WCS Mission Statement
The purpose of the Workers’ Compensation Section (WCS) is to impartially serve the interests of Nevada employers and employees by providing assistance, information, and a fair and consistent regulatory structure focused on:

- Ensuring the timely and accurate delivery of workers' compensation benefits.
- Ensuring employer compliance with the mandatory coverage provisions.

(Legislative Changes, cont. from page 4)
policy of health insurance. **Section 14** of this bill specifically provides for the imposition of an administrative fine for a violation of this limitation on the issuance of a policy of workers’ compensation insurance sold by a producer of continuous care coverage. **Section 15** of this bill requires the Commissioner of Insurance to obtain final approval from the Department of Business and Industry before issuing a certificate of registration as an administrator. **Section 1.5** of this bill requires the Administrator of the Division of Industrial Relations of the Department of Business and Industry to adopt regulations setting forth the qualifications needed to obtain such final approval. **Section 3** of this act becomes effective upon passage and approval [May 31, 2009]. 2. **Sections 11 to 14, inclusive, and 16** of this act become effective on **July 1, 2009**. 3. **Sections 1, 1.5, 2, 4 to 10, inclusive, and 15** of this act become effective on **October 1, 2009**.

SB 361

Section 3 of this bill authorizes the Administrator of the Division of Industrial Relations of the Department of Business and Industry to adopt regulations to allow an employee leasing company to enter into an agreement with an assurance organization to act on its behalf with regard to certain regulatory provisions. **Section 4** of this bill provides for the ways that an employee leasing company and its clients may satisfy the requirement to obtain workers’ compensation coverage for their employees. **Sections 9 and 10** of this bill make changes consistent with the provisions of **Section 4**. **Section 7** of this bill requires an employee leasing company to pay a fee for the issuance or renewal of its certificate of registration. **Section 8** of this bill requires an employee leasing company to provide certain financial statements along with its application for the issuance or renewal of a certificate of registration. **Sections 13.2-13.8** of this bill provide for the ways that an employee of an employee leasing company may notify a supervisor of an injury for industrial insurance purposes. **Sections 1 to 7, inclusive, and 9 to 13.8, inclusive**, of this act become effective on **October 1, 2009**. 2. **Section 8** of this act becomes effective on **January 1, 2010**.

SB 363

Section 2 of this bill revises provisions relating to the death benefit that is paid to the surviving spouse of an employee under industrial insurance to eliminate the requirement that death benefit payments cease upon the remarriage of the surviving spouse. (NRS 616C.505) This act becomes effective on **October 1, 2009**. *

OSHA Chief Retires

Tom Czehowski, Chief Administrative Officer for the Nevada Occupational Safety and Health Administration retired effective May 29, 2009. In a press release, DIR Administrator Donald Jayne lauded Mr. Czehowski's dedication to workplace safety and made special note of his contribution to the development of hazardous material teams in 2002.

Mr. Czehowski was the OSHA CAO during the 9/11 attacks in 2001. At the request of Federal OSHA, the Nevada OSHA and Nevada Safety Consultation and Training Section sent combined teams on three separate occasions to help with the recovery effort after the terrorist attack on the World Trade Center in New York City. During their work, the Nevada teams observed that the WTC first responders and other recovery volunteers, construction workers and all other government and agency personnel at Ground Zero continued to be exposed to potentially hazardous situations and unhealthy environmental conditions.

In 2002, in response to these events, Mr. Czehowski, in conjunction with SCATS, developed and implemented the two Nevada OSHA /SCATS Response Teams. These HAZMAT teams were created to interact with, support and help protect the first emergency responders, volunteers, and affected employees at an incident scene. Due to these teams being established, Federal Assistant Secretary of Labor John Henshaw commended Mr. Czehowski for his leadership and appointed him to the Federal OSHA Emergency Preparedness Executive Steering Committee. Nevada Governor Kenny Guinn also appointed him to the Governor's Interagency Task Force for Hazardous Materials and the State Emergency Response Commission.

During the search for a permanent replacement, Jan Rosenberg, SCATS CAO, will serve as Acting CAO for OSHA. *

Hails and Farewells – A Very Busy Spring

This past spring has seen an unusual number of welcome additions and fond farewells for the DIR/WCS team.

Our newest Compliance/Audit Investigator II is **Norma Ramirez** who recently transferred from the Consumer Affairs Division. She brings nine years of state service to DIR and has continued her education by completing an AA Degree in Liberal Arts and a BS Degree in Business Management. Ms. Ramirez was born in California, raised in El Paso, TX and has been a resident of Las Vegas since 1996. She has three children, is bi-lingual and expected to be a great asset to the Workers' Compensation Section.



Dave Czapienski joined the Northern Nevada, Workers Compensation Unit as a Compliance Audit Investigator in late April. His state work experience is diverse

and extensive going back to 1991. Initially, he worked for the State Industrial Insurance System and later the Employers Insurance Company of Nevada as a claims adjuster. When EICON was privatized, Mr. Czapienski transferred to the Consumer Affairs Division as a Compliance Audit Investigator. Before state service, he worked for the federal government's Defense Investigative Service as an investigator and for the Social Security Administration as a claims representative. Mr. Czapienski has more than 30 years of public service and is looking forward to working as an integral part of the Northern Nevada DIR team. Plus, he advises that one needn't worry about misspelling or mispronouncing his name as he only



recently learned the spelling and pronunciation himself.

Jodi McCollins is the latest addition to the Employer Compliance Unit of DIR/WCS. She's a three-year state employee who recently transferred from the Consumer Affairs Division, where she worked as an administrative assistant and as an accounting assistant. In the evening, she is continuing her education towards a business management degree. Ms. McCollins was born in Salt Lake City, Utah and has been a Las Vegas resident since 1985. She assumes the duties of **Jan Cranmer** who retired in May.



Jeri Arnold retires from DIR/WCS in June. She began her state workers' comp career as a file clerk at SIIS in 1985. Over the years, she worked her way up the SIIS/DIR ladder with positions in medical billing and later insurer/TPA audits while eventually adding additional duties as a training assistant and safety committee representative to her résumé.



Ms. Arnold reflected back on career highlights that included starting the medical unit and transitioning the Medical Fee Schedule to its current payment structure which is based on the Relative Value for Physicians. She also noted that she really enjoyed helping people get their benefits, and the highlight of her week was Wednesday, which was her designated phone duty day when she got to work with the public one-on-one. After she retires, she has no grand plans other than spending time with family and enjoying the finer things in life.

Smiddy Lamb retires in June after more than 12 years of service. She began working for the DIR/WCS medical unit in March of 1997 and became the head of the medical unit in September 1999. During



her tenure, she guided the unit through many important legislative changes and her thorough expertise in impairment ratings, the Nevada Medical Fee Schedule, and medical procedural codes was constantly sought by many Nevada workers' comp stakeholders. As Ms. Lamb departs, her colleagues will remember her boundless energy, unique chuckle and strong desire to improve all aspects of workers' comp for everyone involved. *

SUMMER 2009 - TRAINING SESSIONS

The **WCS Orientation** is a comprehensive overview of workers' compensation in Nevada. This session is beneficial for anyone involved. **Specified Forums** offer specified advanced topics. All training sessions are free and open to the public.

SOUTHERN NEVADA

Division of Industrial Relations
1301 North Green Valley Pkwy.,
Ste. 200, Henderson, NV 89074

WCS Forum-Insurer Reporting

July 20, 2009

WCS Specified Forum:

August 2009, TBD
Legislative Changes

For reservations, please contact:

✉ tsimi@business.nv.gov
☎ (702) 486-9019

NORTHERN NEVADA

The Carson City / Reno sessions are tentatively scheduled at Western Nevada Community College in Carson City.

WCS Orientation:

July 16, 2009

WCS Specified Forum:

August 20, 2009
Legislative Changes

For reservations, please contact:

✉ tbixler@business.nv.gov
☎ (775) 684-7261