

AMENDED IN SENATE JULY 17, 2001

AMENDED IN SENATE JULY 2, 2001

AMENDED IN SENATE JUNE 18, 2001

CALIFORNIA LEGISLATURE—2001–02 REGULAR SESSION

**ASSEMBLY BILL**

**No. 1177**

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**Introduced by Assembly Member Calderon**

February 23, 2001

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An act to add Sections 5307.11 and 5318 to the Labor Code, relating to workers' compensation.

LEGISLATIVE COUNSEL'S DIGEST

AB 1177, as amended, Calderon. Workers' compensation: official medical fee schedule.

Existing law provides for administration of the workers' compensation system by the Director of the Division of Workers' Compensation of the Department of Industrial Relations, who is referred to as the administrative director. ~~This~~

*This* bill would authorize a health care provider or licensed health facility and a contracting agent, employer, or carrier to contract for reimbursement rates that are different from the official medical fee schedule. The bill would provide that the December 31, 2001 termination date contained in the California Code of Regulations for specified regulations be extended until *new* regulations on the medical fee schedule adopted by the administrative director become effective.

Vote: majority. Appropriation: no. Fiscal committee: yes. State-mandated local program: no.

*The people of the State of California do enact as follows:*

1 SECTION 1. Section 5307.11 is added to the Labor Code, to  
2 read:  
3 5307.11. A health care provider or health facility licensed  
4 pursuant to Section 1250 of the Health and Safety Code, and a  
5 contracting agent, employer, or carrier may contract for  
6 reimbursement rates different from those in the fee schedule  
7 adopted and revised pursuant to Section 5307.1. When a health  
8 care provider or health facility licensed pursuant to Section 1250  
9 of the Health and Safety Code, and a contracting agent, employer,  
10 or carrier contract for reimbursement rates different from those in  
11 the fee schedule, the medical fee schedule for that health care  
12 provider or health facility licensed pursuant to Section 1250 of the  
13 Health and Safety Code shall not apply to the contracted  
14 reimbursement rates. Except as provided in subdivision (b) of  
15 Section 5307.1, the official medical fee schedule shall establish  
16 maximum reimbursement rates for all medical services *for injuries*  
17 *subject to this division* provided by a health care provider or health  
18 care facility licensed pursuant to Section 1250 of the Health and  
19 Safety Code other than those specified in contracts subject to this  
20 section.

21 SEC. 2. Section 5318 is added to the Labor Code, to read:  
22 5318. Notwithstanding any other provision of law, the  
23 termination date of December 31, 2001, provided in Section  
24 9792.1 of Title 8 of the California Code of Regulations shall be  
25 extended until the effective date of new regulations adopted by the  
26 administrative director, as required by Section 5307.1, providing  
27 for the biennial review of the fee schedule for health care facilities.

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