

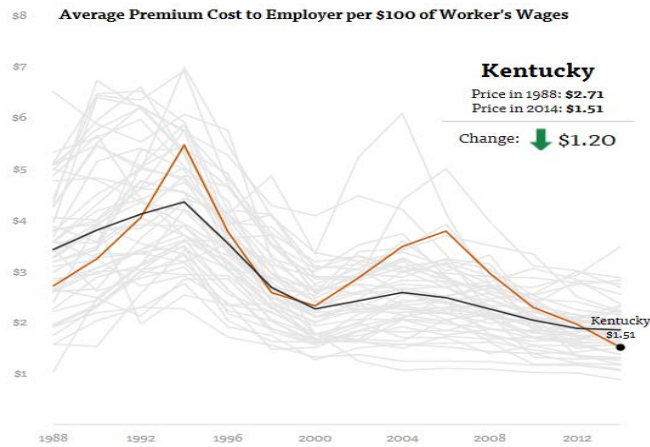
Kentucky Workers' Compensation Bills Talking Points
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- Kentucky's legislature is considering a bill (HB 296) that would **severely restrict** workers' compensation for injured workers by putting **caps on benefits for severely injured workers**, while other bills (HB 75 and HB 306) would **eliminate** some job categories in dangerous industries from the workers' compensation program, including some **lawn care service workers**.
- Kentucky already **excludes** workers in **high hazard occupations** such as **agriculture and domestic workers** from receiving workers' compensation. This new bill would broaden the number of workers in high hazard jobs being excluded from workers' compensation. This is bad for workers and bad for taxpayers.
- When injured workers' access to benefits are cut, the costs of workplace injuries are borne primarily by injured workers, their families, and taxpayer supported components of the social safety net. Kentucky's move is part of **a nation-wide trend in shifting costs** from businesses and insurance companies to injured workers and taxpayers.
- In fact, workers' compensation now only provides an average of 21% of the \$198 billion estimated annual cost of work related injuries, illnesses and fatalities. Workers, their families and their private health insurance pay for nearly 63% of the medical costs and lost wages of work related injuries and illnesses, and taxpayer funded public programs shoulder the remaining 16 percent of costs.
- **Exclusion of lawn care from workers' compensation or cutting of benefits contributes to the pressing issue of economic inequality for injured workers. For many working families, a weak workers' compensation system means that an injury can force them out of the middle class and into poverty.**
- Landscaping is dangerous work. Statistics demonstrate that landscaping workers have higher fatal injury rates than other workers and they suffer higher rates of serious injuries and illnesses than other workers - almost 30 % higher. According to OSHA, lawn care and landscaping workers suffer from cuts and amputations, eye and hearing damage, electrocutions, heat stress, and chemical exposures. Landscaping industry ranks 13th in the database of severe injuries – amputations and injuries resulting in hospitalizations --reported to OSHA
- **All landscaping workers – even those that work for private homes – must be covered by workers' compensation. They are employees – and are entitled to the protections that all employees must receive.**
- According to ProPublica, average premium cost to Kentucky employers per \$100 of workers' wages in 2012 was \$1.51, compared to Missouri's \$1.98, Ohio's \$1.74, and Illinois' \$2.35. **Kentucky's premium contribution is 18% less than the national average of \$1.85.** Despite inflation, **there has been no increase in Kentucky's workers' compensation benefits since 2000** and premiums for Kentucky businesses has declined by half since 1998.



- **HB 296, prohibits** those qualified for **permanent total disability** from collecting benefits at **age 70 or four years after the injury**. It also would limit an employer's obligation to pay medical expenses for an employee determined **permanently partially disabled to 780 weeks**. The same bill would also reduce **interest** payable on delayed payments from **12% to 6%**. These changes in affect require injured workers to enroll in Medicare, **shifting the financial burden** from insurers and businesses to the injured workers and Kentucky taxpayers. For example, the workers in the following examples will have their benefits potentially reduced or cut all together:
 - On June 21, 2016, an employee of Darnell Steel and Construction was struck by a steel beam that fell approximately 40 feet, suffering a head injury, leg fractures, hip injuries, neck injuries, and lower back damage. OSHA cited the employer for serious safety and health violation related to this incident.
 - On or about 2/12/2015, an employee working for Ingram Barge Company in Columbus, Kentucky, was hospitalized for burns to his left side, from his armpit to his waist. The burns resulted when a spark from welding underneath a barge on the dry dock went under his leather welding jacket and caught his shirt on fire. OSHA cited the employer in 2014 for several serious worker safety and health violations.
- Kentucky is engaged in a **race to the bottom** on workers' compensation benefits, and working people are at great risk of falling into poverty as a result of a work related injury. Reforms are needed to assure that workers with occupational injuries and illnesses can access the medical and wage replacement benefits they need until they can go back to work. **One such reform is HB 211, would make thousands of hard-working agricultural and domestic workers eligible for workers' compensation, restoring much needed safeguards for this excluded population.**
- Domestic workers face job hazards and must be included in workers' compensation—as they are in many other states. A recent national survey of domestic workers found that 38 percent had suffered work-related wrist, shoulder, elbow, or hip pain in the prior 12 months; 29 percent of housecleaners suffered from skin irritation; and 29 percent of caregivers suffered a back injury in the prior 12 months.
- Agriculture ranks among the most dangerous industries. Between 2003 and 2011, 5,816 agricultural workers died from work-related injuries in the US. 2011, the injury rate for agricultural workers was over 40 percent higher than the rate for all workers. Crop production agricultural workers' injury rates were 5.5 per 100 workers. Animal production agricultural workers' injury rates were 6.7 per 100 workers. The rate for all workers was 3.8.
- Without workers' compensation, the costs of a work related injury is an enormous burden on workers and their families.

- Many other states include agriculture and domestic workers under workers' compensation. Agricultural workers and domestic workers should be covered under workers' compensation. Shifting the costs of injuries onto the backs of workers is unfair to workers and to Kentucky taxpayers.

Background

- In the U.S., workers' compensation emerged in each state as a political compromise in the early 20th century when occupationally caused deaths and disability were alarmingly common. The basic principle of workers' compensation — sometimes called **the Grand Bargain**—is that employers assume responsibility for providing insurance that pays cash and medical benefits for workers injured on the job **without regard to fault**; in return, the **employers are protected from personal injury or other liability** for workplace injuries or illnesses.
- Because workers' compensation is a social insurance program, **universal coverage** of employees is an important prerequisite to its success. More than 129 million workers in the country are covered by workers' compensation.
- Workers' compensation benefits include medical care, rehabilitation, reimbursement for lost wages for work-related injuries, and compensation for permanent impairment or functional loss. Workers' compensation also pays benefits to families of workers who die from work-related causes. Ultimately, an effective workers' compensation systems should help **promote the prevention of workplace injuries**, which in turn will **reduce costs** for Kentucky employers in the long-term.
- Kentucky's workers' compensation program provides critical support to workers injured or made sick on the job. Because there are no federal minimum standards that guide Kentucky's program, it is ever more important to make sure Kentucky workers receive the full benefits to which they are entitled.
- Several studies have found that **fewer than 40 percent** of eligible workers **apply for any workers' compensation** benefits. Additionally, experts estimate that only 1 of 20 occupational disease victims receive workers' compensation benefits. For occupational cancer, it is less than 1 in 100. Ten times as many severely disabled occupational disease victims receive Social Security Disability Insurance (SSDI) or early retirement benefits as receive workers' compensation benefits

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