

August 22, 2016

The Honorable Tony Mendoza
California State Senate
State Capitol, Room 5061
Sacramento, CA 95814

RE: SB 1160 (Mendoza) – Utilization Review Reform
REMOVE OPPOSITION // NEUTRAL AS AMENDED 8/19/2016

Dear Senator Mendoza,

The California Coalition on Workers' Compensation (CCWC) is an association of California's public and private sector employers that advocates for a balanced workers' compensation system that provides injured workers with fair benefits, while keeping costs low for employers. Our members include not only businesses of every size, but also cities, counties, schools and other public entities.

CCWC is pleased to remove our current opposition to SB 1160 (Mendoza), as amended on 8/19/2016, and instead establish a NEUTRAL position on the bill. The newly-amended legislation, which was developed jointly by Senator Mendoza and the Brown Administration, is a good-faith effort to both reinforce and strengthen past reform efforts that have been supported by both labor and management.

Our members believe that SB 1160 represents an acceptable compromise between the two key stakeholders in the workers' compensation system – injured workers and their employers. However, we are aware that there is a great deal of pressure being applied by some medical providers and their financial backers to amend important lien provisions out of SB 1160. While there is an appropriate role for liens in the workers' compensation system, the reforms in SB 1160 focus on eliminating liens that result from fraud and abuse. If these lien provisions are compromised in any way, CCWC will need to reevaluate our neutrality.

Please contact me directly with any questions.

Sincerely,



Jason Schmelzer
Legislative Advocate

cc. Assemblyman Daly, Chair of the Assembly Insurance Committee
Members, Assembly Insurance Committee
Members, Senate Labor & Industrial Relations Committee
David Lanier, Secretary of the California Labor and Workforce Development Agency
Christine Baker, Director of the Department of Industrial Relations
George Parisotto, Administrative Director of the Division of Workers' Compensation