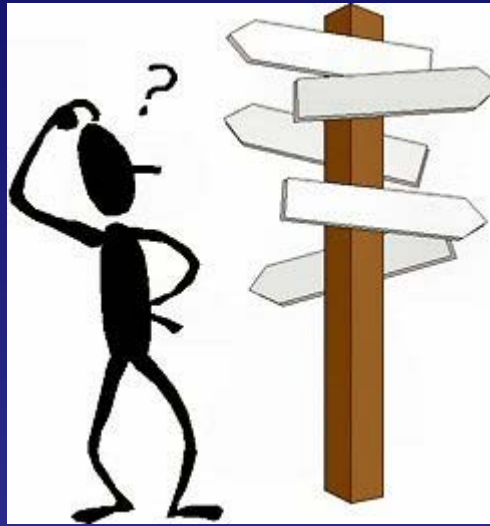


California Orthopedic Association

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Bradford & Barthel, LLP



STOP THE CONFUSION:



WPI vs PD



Making "impairment"...

"more accurate" = "more fair" = ???????

\$\$\$\$?

Disability?

Work Restrictions?



Can you rely on:

Subjective
Self-Interested
Self Reports?

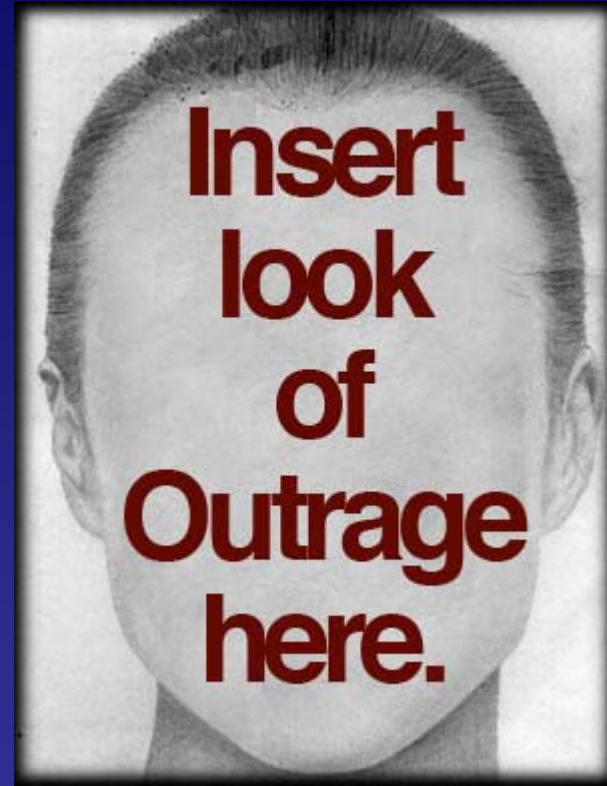


AKA: Say Goodnight to "objectivity,
uniformity and consistency"?



Let's be "fair"

54% decrease in PD
Out-of-work with no PD



The Legislature Couldn't Have Meant for
This To Happen (Could they?)



IF they READ the RAND study they did.....

"The adoption of a more objective system of evaluating disabilities will not come without costs. In particular, a system that relies on more-objective criteria will exclude some workers from compensation -- workers that may experience substantial wage loss from impairments for which we do not have clear objective criteria and measurement tools. Given the poor return to work outcomes for California's injured workers, policymakers should consider the impact on the workers of reducing or eliminating benefits to some workers who may have legitimate impairments that are difficult to detect given the current medical technology and methodology."



What did the

Governor

&

Senate President Pro Tem John Burton know...



...And when did they know it?



4/13/04

Report from:
Comm. on Health & Safety & Workers'
Compensation



"Response to Request for Information on
Cost-Benefits of Potential Workers'
Compensation Reforms"



“The impact of...adopting the AMA Guides descriptions...will be a substantial reduction in the number of claims with PPD ratings and a reduction in the ratings on a substantial fraction of other claims.



“As a rough estimate, the proposals will reduce PPD costs by about 33%...or about \$1.2 billion for calendar year 2004 claims, rising to \$1.4 billion for 2005 claims and \$1.6 billion for 2006 claims.”



“This effect will arise almost entirely from a reduction in the frequency with which PPD benefits are awarded.”



“The major change that would be introduced by moving to the AMA Guides...would be to reduce the number of claims that are compensated...The most significant reason is that the AMA Guides do not give PPD ratings to injuries where the only finding is that prophylactic work restrictions are appropriate...”



“The AMA Guides would not assign an impairment rating in many of these cases...at least 1/3rd of low back claims would be eliminated from compensation”



“Any restrictions on compensation will likely eliminate compensation for some workers with real and lasting economic consequences. It is important for policy makers to consider the potential impact on these workers when weighing the cost/benefit of [this] legislation...”

