



California Workers' Compensation Institute
1111 Broadway Suite 2350, Oakland, CA 94607 • Tel: (510) 251-9470 • Fax: (510) 251-9485

September 11, 2013

VIA E-MAIL to dwcrules@dir.ca.gov

Maureen Gray, Regulations Coordinator
Department of Industrial Relations
Division of Workers' Compensation, Legal Unit
Post Office Box 420603
San Francisco, CA 94142

RE: Lien Filing Fees -- CCR Sections 10205 – 10208.1

Dear Ms. Gray:

This commentary on the proposed regulations for the Lien Filing Fees is presented on behalf of the members of the California Workers' Compensation Institute (the Institute). Institute members include insurers writing 70% of California's workers' compensation premium, and self-insured employers with \$42B of annual payroll (24% of the state's total annual self-insured payroll).

Insurer members of the Institute include ACE, AIG, Alaska National Insurance Company, AmTrust North America, Chubb Group, CNA, CompWest Insurance Company, Crum & Forster, Employers, Everest National Insurance Company, Farmers Insurance Group, Fireman's Fund Insurance Company, The Hartford Insurance Group, Insurance Company of the West, Liberty Mutual Insurance, Pacific Compensation Insurance Company, Preferred Employers Insurance Company, Springfield Insurance Company, State Compensation Insurance Fund, State Farm Insurance Companies, Travelers, XL America, Zenith Insurance Company, and Zurich North America.

Self-insured employer members are Adventist Health, Agilent Technologies, City and County of San Francisco, City of Santa Ana, City of Torrance, Contra Costa County Schools Insurance Group, Costco Wholesale, County of San Bernardino Risk Management, County of Santa Clara Risk Management, Dignity Health, Foster Farms, Grimmway Enterprises Inc., Kaiser Permanente, Marriott International, Inc., Pacific Gas & Electric Company, Safeway, Inc., Schools Insurance Authority, Sempra Energy, Shasta County Risk Management, Southern California Edison, Sutter Health, University of California, and The Walt Disney Company.

The following specific changes recommended to the proposed regulatory language are indicated by italicized and highlighted underscore and ~~strikeout~~.

Section 10205(h) Definitions

Recommendation

Add: The inclusion of medical-legal expenses within the definition of "cost" does not permit them to be claimed through a petition for costs; however, medical-legal expenses may be sought through a claim of costs in the form of a lien.

Discussion

The Division's definition fairly follows the proposed definition by the WCAB, except with regard to the final admonition requiring that medical legal costs be sought through the filing of a lien. The Division should state this as well.

Thank you for considering our comments. Please contact me if further clarification is needed.

Sincerely,

Michael McClain
General Counsel

MMc/mp

cc: Destie Overpeck, DWC Acting Administrative Director
CWCI Claims Committee
CWCI Medical Care Committee
CWCI Legal Committee
CWCI Regular Members
CWCI Associate Members