

SENATE BILL NO. 100—SENATOR CARLTON

FEBRUARY 15, 2007

Referred to Committee on Commerce and Labor

SUMMARY—Requires an insurer or third-party administrator who pays workers' compensation to an employee or a dependent of an employee to deposit the compensation directly into the account of the employee or dependent under certain circumstances. (BDR 53-465)

FISCAL NOTE: Effect on Local Government: No.
Effect on the State: No.

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EXPLANATION – Matter in *bolded italics* is new; matter between brackets ~~omitted material~~ is material to be omitted.

AN ACT relating to industrial insurance; requiring an insurer or third-party administrator who pays workers' compensation to an employee or a dependent of an employee to deposit the compensation directly into the account of the employee or dependent under certain circumstances; and providing other matters properly relating thereto.

Legislative Counsel's Digest:

Existing law provides for the payment of compensation to an employee who is injured or killed during the course of employment or who is injured or killed after incurring an occupational disease. (Chapters 616A-617 of NRS)

Section 1 of this bill authorizes an employee or a dependent of an employee who receives payments for workers' compensation from an insurer or third-party administrator for a permanent total disability, death or a permanent partial disability to submit a written notice to the insurer or third-party administrator directing the insurer or third-party administrator to deposit the compensation directly into the employee's or dependent's account specified in the written notice. If so directed by the employee or dependent, **section 1** requires the insurer or third-party administrator to deposit the compensation directly into that account.



THE PEOPLE OF THE STATE OF NEVADA, REPRESENTED IN
SENATE AND ASSEMBLY, DO ENACT AS FOLLOWS:

Section 1. Chapter 616C of NRS is hereby amended by adding thereto a new section to read as follows:

1. Each employee or dependent of an employee who receives compensation pursuant to chapters 616A to 616D, inclusive, or 617 of NRS for a permanent total disability, death or a permanent partial disability that was not paid in a lump sum pursuant to NRS 616C.495 may submit to the insurer or third-party administrator who pays the compensation a written notice directing the insurer or third-party administrator to deposit the compensation directly into the account of the employee or dependent specified by the employee or dependent in the written notice.

2. If an insurer or third-party administrator receives a written notice from an employee or dependent of an employee pursuant to subsection 1, the insurer or third-party administrator shall, in lieu of issuing a check, deposit the compensation paid by the insurer or third-party administrator directly into the account specified by the employee or dependent in the written notice.

Sec. 2. NRS 616C.205 is hereby amended to read as follows: 616C.205 Except as otherwise provided in this section and NRS 31A.150 and 31A.330, compensation payable or paid under chapters 616A to 616D, inclusive, or chapter 617 of NRS, whether determined or due, or not ~~[, is not,]~~ :

1. Is not assignable before the issuance and delivery of the check ~~[, assignable, is]~~ *or the deposit of any payment for compensation pursuant to section 1 of this act;*

2. Is exempt from attachment, garnishment and execution ~~[and does]~~ ; *and*

3. Does not pass to any other person by operation of law.

➔ In the case of the death of an injured employee covered by chapters 616A to 616D, inclusive, or chapter 617 of NRS from causes independent from the injury for which compensation is payable, any compensation due the employee which was awarded or accrued but for which a check was not issued or delivered *or for which payment was not made pursuant to section 1 of this act* at the date of death of the employee is payable to his dependents as defined in NRS 616C.505.

Sec. 3. NRS 616C.475 is hereby amended to read as follows:

616C.475 1. Except as otherwise provided in this section, NRS 616C.175 and 616C.390, every employee in the employ of an employer, within the provisions of chapters 616A to 616D, inclusive, of NRS, who is injured by accident arising out of and in the course of employment, or his dependents, is entitled to receive



1 for the period of temporary total disability, 66 2/3 percent of the
2 average monthly wage.

3 2. Except as otherwise provided in NRS 616B.028 and
4 616B.029, an injured employee or his dependents are not entitled to
5 accrue or be paid any benefits for a temporary total disability during
6 the time the injured employee is incarcerated. The injured employee
7 or his dependents are entitled to receive such benefits when the
8 injured employee is released from incarceration if he is certified as
9 temporarily totally disabled by a physician or chiropractor.

10 3. If a claim for the period of temporary total disability is
11 allowed, the first payment pursuant to this section must be issued by
12 the insurer within 14 working days after receipt of the initial
13 certification of disability and regularly thereafter.

14 4. Any increase in compensation and benefits effected by the
15 amendment of subsection 1 is not retroactive.

16 5. Payments for a temporary total disability must cease when:

17 (a) A physician or chiropractor determines that the employee is
18 physically capable of any gainful employment for which the
19 employee is suited, after giving consideration to the employee's
20 education, training and experience;

21 (b) The employer offers the employee light-duty employment or
22 employment that is modified according to the limitations or
23 restrictions imposed by a physician or chiropractor pursuant to
24 subsection 7; or

25 (c) Except as otherwise provided in NRS 616B.028 and
26 616B.029, the employee is incarcerated.

27 6. Each insurer may, with each check that it issues to an injured
28 employee for a temporary total disability, include a form approved
29 by the Division for the injured employee to request continued
30 compensation for the temporary total disability.

31 7. A certification of disability issued by a physician or
32 chiropractor must:

33 (a) Include the period of disability and a description of any
34 physical limitations or restrictions imposed upon the work of the
35 employee;

36 (b) Specify whether the limitations or restrictions are permanent
37 or temporary; and

38 (c) Be signed by the treating physician or chiropractor
39 authorized pursuant to NRS 616B.527 or appropriately chosen
40 pursuant to subsection 3 of NRS 616C.090.

41 8. If the certification of disability specifies that the physical
42 limitations or restrictions are temporary, the employer of the
43 employee at the time of his accident may offer temporary, light-duty
44 employment to the employee. If the employer makes such an offer,
45 the employer shall confirm the offer in writing within 10 days after



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1 making the offer. The making, acceptance or rejection of an offer of
2 temporary, light-duty employment pursuant to this subsection does
3 not affect the eligibility of the employee to receive vocational
4 rehabilitation services, including compensation, and does not
5 exempt the employer from complying with NRS 616C.545 to
6 616C.575, inclusive, and 616C.590 or the regulations adopted by
7 the Division governing vocational rehabilitation services. Any offer
8 of temporary, light-duty employment made by the employer must
9 specify a position that:

10 (a) Is substantially similar to the employee's position at the time
11 of his injury in relation to the location of the employment and the
12 hours he is required to work;

13 (b) Provides a gross wage that is:

14 (1) If the position is in the same classification of
15 employment, equal to the gross wage the employee was earning at
16 the time of his injury; or

17 (2) If the position is not in the same classification of
18 employment, substantially similar to the gross wage the employee
19 was earning at the time of his injury; and

20 (c) Has the same employment benefits as the position of the
21 employee at the time of his injury.

22 **Sec. 4.** This act becomes effective on January 1, 2008.

