SENATE, No. 2145 **STATE OF NEW JERSEY** 218th LEGISLATURE

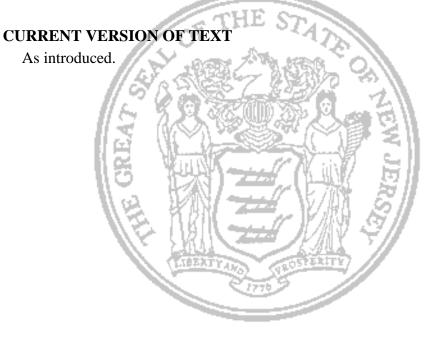
INTRODUCED MARCH 5, 2018

Sponsored by: Senator NICHOLAS P. SCUTARI District 22 (Middlesex, Somerset and Union) Senator STEPHEN M. SWEENEY District 3 (Cumberland, Gloucester and Salem) Assemblyman WAYNE P. DEANGELO District 14 (Mercer and Middlesex) Assemblywoman JOANN DOWNEY District 11 (Monmouth) Assemblyman RAJ MUKHERJI District 33 (Hudson)

Co-Sponsored by: Assemblywoman Chaparro

SYNOPSIS

Concerns attorney fees for workers' compensation awards.



(Sponsorship Updated As Of: 6/22/2018)

AN ACT concerning workers' compensation and amending

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R.S.34:15-64.

4 **BE IT ENACTED** by the Senate and General Assembly of the State 5 of New Jersey: 6 7 1. R.S.34:15-64 is amended to read as follows: 8 34:15-64. a. The commissioner, director and the judges of 9 compensation may make such rules and regulations for the conduct 10 of the hearing not inconsistent with the provisions of this chapter as may, in the commissioner's judgment, be necessary. The official 11 12 conducting any hearing under this chapter may allow to the party in 13 whose favor judgment is entered, costs of witness fees and a 14 reasonable attorney fee, not exceeding 20% of the judgment; and a 15 reasonable fee not exceeding \$400 for any one witness, except that 16 the following fees may be allowed for a medical witness: 17 (1) (a) A fee of not more than \$600 paid to an evaluating 18 physician for an opinion regarding the need for medical treatment 19 or for an estimation of permanent disability, if the physician 20 provides the opinion or estimation in a written report; and 21 (b) An additional fee of not more than \$400 paid to the 22 evaluating physician who makes a court appearance to give 23 testimony; or 24 (2) (a) A fee of not more than \$450 paid to a treating physician 25 for the preparation and submission of a report including the entire 26 record of treatment, medical history, opinions regarding diagnosis, 27 prognosis, causal relationships between the treated condition and 28 the claim, the claimant's ability to return to work with or without 29 restrictions, what, if any, restrictions are appropriate, and the 30 anticipated date of return to work, and any recommendations for 31 further treatment; and 32 (b) (i) An additional fee of not more than \$300 per hour, with 33 the total amount not to exceed \$2,500, paid to the treating physician 34 who gives testimony concerning causal relationship, ability to work 35 or the need for treatment; or 36 (ii) An additional fee of not more than \$300 per hour, with the 37 total amount not to exceed \$1,500, paid to the treating physician 38 who gives a deposition concerning causal relationship, ability to 39 work or the need for treatment. 40 b. (1) No fee for an evaluating physician pursuant to this 41 section shall be contingent on whether a judgment or award is or is 42 not made in favor of the petitioner. (2) No evaluating or treating physician shall charge any fee for a

43 (2) No evaluating or treating physician shall charge any fee for a
44 report, testimony or deposition in excess of the amount permitted
45 pursuant to the provisions of this section.

EXPLANATION – Matter enclosed in **bold-faced brackets** [thus] in the above bill is not enacted and is intended to be omitted in the law.

Matter underlined <u>thus</u> is new matter.

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1 c. A fee shall be allowed at the discretion of the judge of 2 compensation when, in the official's judgment, the services of an 3 attorney and medical witnesses are necessary for the proper presentation of the case. In determining a reasonable fee for 4 5 medical witnesses, the official shall consider (1) the time, personnel, and other cost factors required to conduct the 6 7 examination; (2) the extent, adequacy and completeness of the 8 medical evaluation; (3) the objective measurement of bodily 9 function and the avoidance of the use of subjective complaints; and 10 (4) the necessity of a court appearance of the medical witness. 11 When, however, at a reasonable time, prior to any hearing 12 compensation has been offered and the amount then due has been tendered in good faith or paid within 26 weeks from the date of the 13 14 notification to the employer of an accident or an occupational 15 disease or the employee's final active medical treatment or within 16 26 weeks after the employee's return to work whichever is later or 17 within 26 weeks after employer's notification of the employee's 18 death, the reasonable allowance for attorney fee shall be based upon 19 [only that part of the judgment or award in excess of] the amount 20 of compensation, theretofore offered, tendered in good faith or paid 21 after the establishment of an attorney client relationship pursuant to 22 a written agreement, and the amount of the judgment or award in 23 excess of the amount of compensation, theretofore offered. When the amount of the judgment [, or when that part of the judgment or 24 25 award in excess of compensation, offered, tendered in good faith or 26 paid as aforesaid,] is less than \$200, an attorney fee may be 27 allowed not in excess of \$50.

28 d. All counsel fees of claimants' attorneys for services 29 performed in matters before the Division of Workers' 30 Compensation, whether or not allowed as part of a judgment, shall 31 be first approved by the judge of compensation before payment. 32 Whenever a judgment or award is made in favor of a petitioner, the 33 judges of compensation or referees of formal hearings shall direct 34 amounts to be deducted for the petitioner's expenses and to be paid 35 directly to the persons entitled to the same, the remainder to be paid directly to the petitioner. 36

2. This act shall take effect immediately.

37 (cf: P.L.2015, c.216, s.1)

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STATEMENT

This bill requires that in cases in which a workers' compensation petitioner has received compensation from an insurance company prior to any judgment or award, the reasonable allowance for attorney fees will be based upon the sum of the amount of compensation received by the petitioner prior to any judgment, but

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after the establishment of an attorney-client relationship pursuant to 1 a written agreement, and the amount of the judgment or award in 2 excess of the amount of compensation already received by the 3 4 petitioner. Currently, in cases in which a petitioner has received 5 compensation prior to a judgment or award, a reasonable attorney 6 fee is based upon only that part of the judgment or award that is in 7 excess of the amount of compensation already received by the 8 petitioner.