

IPRF ISSUES

Risk & Safety Tips from the ILLINOIS PUBLIC RISK FUND

SPECIAL ISSUE • November 2007

New House Bill Drives Increases to Firefighter Workers' Compensation Costs



When Illinois House Bill 928 was passed and signed into law, it became Public Act 095-0316.

To read the full text of the act, visit: <http://www.ilga.gov/legislation/publicacts/fulltext.asp?Name=095-0316>

A new Illinois law broadens workers' compensation coverage for Illinois firefighters, EMTs, and paramedics, presuming health conditions like cancer, heart disease and even hernias are the result of workplace risks.

When some municipal boards, fire districts, and other members of the Illinois Public Risk Fund (IPRF) receive their 2008 IPRF renewal invoices, they will notice a new line-item called the Public Act 95-316 House Bill 928 Reserve Fund. This charge is in response to a new Illinois bill, House Bill 928, which was signed into law by the Governor on August 21, 2007. The new bill makes significant changes to the kinds of injuries and illnesses that Illinois' fire fighters, emergency medical technicians (EMT), and paramedics may claim under the Workers' Compensation Act and Workers' Occupational Diseases Act. To ensure that those members who face increased exposure due to House Bill 928 are protected, IPRF has proactively established the House Bill 928 Reserve Fund. Money deposited in this fund is earmarked for workers' compensation claims resulting from House Bill 928, and the additional premium costs will only be paid by those public entities employing firefighters.

The IPRF Remains Committed to Controlling Costs

IPRF remains Illinois' largest self-insured risk pool for workers' compensation coverage. Though some members face increased costs to prepare for expected increases in firefighter claims, the IPRF remains dedicated to keeping costs down and mitigating loss. Those entities not effected by the new Illinois House Bill 928 will not be charged for the House Bill 928 Reserve Fund. The new charge of \$250 per insured firefighter will be levied for 2008 policies and will appear as a separate line item. For more information, contact your IPRF representative.

Illinois House Bill 928: Presumed Cause and Coverage

"The new House Bill 928 enacts major changes to the workers' comp coverage for Illinois firefighters, paramedics, and EMTs," said Tom English, IPRF marketing representative. "It adds a number of

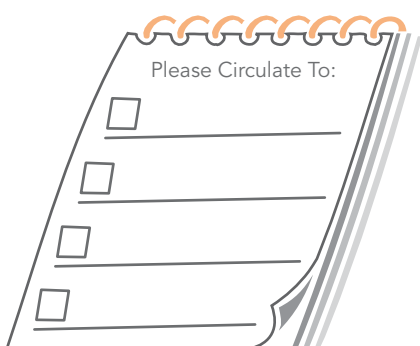
new illnesses—like cancer and hypertension—to the list of compensable claims, and it also makes them more easily covered. While the law provides for a rebuttable presumption of coverage, this bill would shift the burden of proof from the employee to the employer."

House Bill 928 states that as of January 1, 2008, any impairment to the health of a firefighter, EMT, or paramedic, which results directly or indirectly from any of the following conditions, will be presumed to arise out of and be causally connected to the hazards or exposures of the employee's job.

- Bloodborne pathogen
- Lung or respiratory disease or condition
- Heart or vascular disease or condition
- Hypertension
- Tuberculosis
- Cancer
- Hernia
- Hearing loss

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New House Bill...continued from front

The bill also states that this presumption only applies to those firefighters, EMTs, and paramedics who have been employed as such for at least five years when they file an application for adjustment of claim concerning the condition or impairment.

In addition, the bill creates a "rebuttable presumption" of coverage, according to the National Council on Compensation Insurance, Inc. (NCCI), the nation's oldest and largest provider of workers compensation insurance and employee injury data and statistics. This means that such illnesses would be presumed to be the result of work-related environments or exposures, and thus coverage is presumed. Employers can rebut such claims, but the burden of proof is now shifted to the employers. In general, the Illinois General Assembly intends to create a climate where workers' compensation claims for firefighters, EMTs, and paramedics are broader and easier to win.

The House Bill 928 Reserve Fund: IPRF's Proactive Response

The effects of House Bill 928 on statewide workers' compensation claims are not yet clear as the law does not go into effect until January 1. However, it is reasonably assumed that the number and dollar amounts of workers' compensation claims for Illinois firefighters, EMTs, and paramedics will increase. The NCCI agrees that there likely will be a substantial increase in workers' compensation costs due to the increase in compensable occupational diseases. It also points out that the language of the bill seems to support the compensability of claims made after January 1, regardless of whether or not the exposure leading to the disability occurred before the effective date.

Approximately 7,200 firefighters are currently employed by IPRF members. Planning for the likelihood of increased future claims, the IPRF has established the House Bill 928 Reserve Fund, a separate side-fund for members who employ firefighters. The costs for these members will be \$250 per firefighter for their 2008 policies. "The IPRF prides itself on controlling costs for our members," says English. Affected members will see the line-item for the House Bill 928 Reserve Fund on their policy invoices during the December renewal period. Those IPRF members who do not employ firefighters will not be levied a House Bill 928 Reserve Fund charge.

Research Study Fuels the New Bill

Researchers from the University of Cincinnati released a study, in November 2006, which reviewed 32 previous studies of firefighters to assess if that occupation translates into greater risk for various types of cancer. The study found that firefighters are anywhere from 21 to 102 percent more at risk than the average person for 10 types of cancer. The cause for such greater risk is assumed to be increased exposure to cancer-causing agents like benzene, chloroform, soot, and formaldehyde while on the job. This study appears to be one of the reasons why the Illinois General Assembly and the Governor passed House Bill 928. A few other U.S. states have passed similar measures.



¹ LeMasters, Grace K., et. al. "Cancer Risk Among Firefighters: A Review and Meta-analysis of 32 Studies." *Journal of Occupational and Environmental Medicine*, Vol. 48, No. 11, November 2006.



If you are like most members of IPRF, the grant money that was provided in the past two years by IPRF offered great relief to ease the burden of your safety related purchases. By working together to control costs, we are able to provide these grants to our membership.

Our Mission

1. Help define and advocate the need for a cultural change within the organization relating to safety; incorporating leadership, management, supervision, accountability and personal responsibility.
2. Enhance the personal and organizational accountability for health and safety throughout the organization.
3. Focus greater attention on the integration of risk management with incident management at all levels, including strategic, tactical, and planning responsibilities.
4. All employees should be empowered to help stop unsafe work practices.
5. Utilize available technology wherever possible to produce higher levels of health and safety.
6. The IPRF Grant program will support the implementation of safe practices and/or mandate safe practices as an eligibility requirement for the grant.
7. Safety and loss prevention should be a primary consideration in the purchase of safety and educational equipment using grant funds.

Teamwork Pays Off for IPRF Members!

We are pleased that in 2008, we will again be able to offer our Safety and Educational Grant Program. Response deadline from IPRF members is March 14, 2008.

To be eligible for receiving a grant, you must have been an IPRF member previous to December 15, 2006 and currently be in good standing. Grants will be paid to eligible members by May 1, 2008.

For further information, contact your agent or visit us online @ www.iprf.com.

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