



*Proposal of Addition to Create a COVID-19 Reimbursement Fund*

Sec. 3 . **WORKERS' COMPENSATION COVID-19 REIMBURSEMENT FUND** is added to read:

The Workers' Compensation COVID-19 Reimbursement Fund is created to reimburse workers' compensation providers for COVID-19 workers' compensation costs paid with respect to employees entitled to the presumption in Section 2. The fund shall be managed by the Vermont State Treasurer's Office. Reimbursements shall be made from the fund to eligible workers' compensation providers by the Commissioner.

(a) Definitions.

(a)(1) For the purposes of this section, the following definitions shall apply:

(A) "Commissioner" means the commissioner of the Vermont Department of Labor

(B) "Employee" or "worker" has the meaning given in 21 V.S.A. 601. (14).

(C) "Employer" has the meaning given in 21 V.S.A 601. (3).

(D) "Fund" means the workers' compensation COVID-19 reimbursement fund created in this Section.

(E) "Intermunicipal insurance agreement" means the Vermont League of Cities and Towns Property and Casualty Intermunicipal Fund, and the Vermont School Boards Insurance Trust Multi-Line Program.

(F) "Municipality" means a city, town, incorporated village, town school district, incorporated school or fire district, or other governmental incorporated unit..

(G) "Presumptive classes" means frontline workers specified in Section 2

(H) "Workers' compensation costs" means the actual loss amount that a workers' compensation provider is obligated to pay and that is paid by the provider for workers' compensation benefits payable under V.S.A. 21 Chapter 9.

(I) "Workers' compensation provider" means an employer or other entity providing workers' compensation coverage to employees that are included in the presumptive classes and that is:

- (1) a self-insured municipality;
- (2) an intermunicipal insurance agreement formed pursuant to 24 V.S.A. Chapter 121 and regulated by the Department of Financial Regulation (DFR) I-90-1;
- (3) a self-insurer authorized under V.S.A. XXXX
- (4) an insurance carrier authorized to provide workers' compensation coverage in Vermont.

(b) Reimbursement eligibility threshold amounts.

(b)(1) A workers' compensation provider shall be eligible for reimbursement for COVID-19 workers' compensation costs for presumptive classes in excess of the deductible amounts listed as provided in paragraphs (2) and (3).

(2) A workers' compensation provider that is a self-insured municipality, an intermunicipal insurance agreement, or a self-insurer is eligible for reimbursement from the fund when the workers' compensation provider has paid total COVID-19-related workers' compensation costs of \$XXXX for claims arising from an employee or employees in a presumptive class.

(3) A workers' compensation provider other than a workers' compensation provider described in paragraph (b) is eligible for reimbursement from the fund when the workers' compensation provider has paid total COVID-19-related workers' compensation costs of \$XXXX for claims arising from an employee or employees in a presumptive class.

(c) Submission for reimbursement.

(c)(1) A workers' compensation provider shall submit to the commissioner in a format prescribed by the commissioner information regarding the amounts in excess of the deductible provided in subdivision 3 to be reimbursed from the fund. The commissioner shall make reimbursements to workers' compensation providers on a first-come, first-served basis. No funds may be reimbursed after June 30, 2021.

(d) Aggregation of claims.

(d)(1) Claims paid to employees within presumptive classes may be aggregated and count toward the deductible amounts specified in (b)(2) and (3).

(e) Premiums or contributions from workers' compensation provider

(e)(1) Workers' compensation providers shall not charge their insureds or members increased premiums or contributions for losses in excess of the deductible amounts specified in (b)(2)and(3) when a reimbursement is received form the fund.

(f) Report to legislature.

(e)(1) By August 1, 2020, December 31, 2020, and June 30, 2021, the Commissioner shall report to the legislature regarding reimbursements paid to workers' compensation providers under this section.

(g) Appropriation; workers' compensation COVID-19 reimbursements.

(g)(1) Dollars XXXX in fiscal year 2020 is appropriated from the Coronavirus Relief Fund to the workers' compensation COVID-19 reimbursement fund to provide reimbursements as specified throughout this Section.