

CONCURRENCE IN SENATE AMENDMENTS

CSA1 Bill Id:AB 1293 Author:(Wallis)

As Amended Ver:August 29, 2025

Majority vote

SUMMARY

Requires the administrative director (AD) of the Division of Workers' Compensation (DWC) to develop and make available a template qualified medical evaluator (QME) report form and a medical evaluation request form for parties to communicate with a panel QME.

Senate Amendments

- 1) Eliminate requirement that the AD promulgate regulations to review the quality of medical-legal reports.
- 2) Clarify that the medical evaluation request form developed by the AD does not limit a party's right to submit relevant information to a QME.
- 3) Make clarifying changes to the information that the AD must include in the template QME report form.

COMMENTS

If a dispute arises between the injured worker and the employer over whether an injury is work-related, a worker's capacity to return to work, the existence or extent of a permanent disability, the ability to engage in the worker's usual occupation, or the need for specific or future medical treatment, the injured worker may request a QME. QMEs – qualified medical evaluators – are licensed physicians that must: spend at least one-third of their time providing direct medical treatment; report specified financial interests, take at least one 12-hour course on writing medical-legal reports, pass a competency exam, and pay an annual fee.

When a QME is requested, DWC uses a computer program to randomly generate a "panel," i.e. a list of three QMEs, based on the requested medical specialty and the proximity to the worker's residence. Depending on whether the injured worker is represented by an attorney, the QME selection process differs. If unrepresented, the injured worker selects a QME from the panel and makes an appointment within 10 days. If represented, the injured worker and the employer each eliminate one QME from the panel, and the injured worker makes an appointment with the remaining QME within 10 days. At this point, the QME reviews medical records and evaluates the injured worker, and, within 30 days of the evaluation, writes and distributes to the parties a "medical-legal report," which addresses the issues of the dispute and includes findings by the QME that a workers' compensation administrative judge (WCJ) may need to resolve the dispute. The parties may then use the findings detailed in the report to resolve the dispute directly, or may meet before a WCJ to render a judgement resolving the dispute.

The efficient function of this process is critical, as obstacles or delays in resolving a dispute can delay injured workers essential care and compensation, and can be extremely costly to employers. Numerous reports have identified two major inefficiencies in this system that appear to underlie the majority of issues in reaching dispute resolution through the QME process: 1) unavailability of the selected QME within 60 days of selection, due largely to a documented QME shortage, that necessitates a request for a replacement panel or QME after those 60 days

have elapsed, and; 2) inaccurate or incomplete medical-legal reports that do not provide sufficient evidence for a WCJ to render a judgement, prolonging the process while the QME is deposed or supplemental evaluation and reporting is conducted to resolve the missing or inaccurate information. This bill seeks to address the latter.

Section 4062.3(j) of the Labor Code presently requires that the AD prescribe a form for QMEs to summarize their medical findings for the parties to the dispute, but does not require prescription of such a form for the full medical-legal report. This bill seeks to improve the quality of QME reports directly by requiring the AD to develop a template QME report form that includes all necessary statutory and regulatory requirements for a QME report. This should in theory reduce the number of incomplete reports by clearly defining the types of information that must be included. The bill clarifies, however, that use of the template alone is not sufficient to establish a report as substantial evidence that is complete, accurate, and compliant with existing law. Finally, the bill seeks to streamline the QME process by requiring the AD to develop a medical evaluation request form designed to facilitate communication of relevant information with a QME to produce a substantive report.

According to the Author

"We need to fix a workers' compensation system that's too slow for those who rely on it. The 2019 Auditor's review found 85% of Panel QME reports from 2015-2016 weren't adequate, dragging out disputes and hurting employers and employees alike. This bill pushes the DWC to ensure better report quality and provides templates for clarity – because no one should endure endless delays."

Arguments in Support

The California Coalition on Workers' Compensation (CCWC), who sponsor this bill, along with a coalition of supporters representing business interests, counties, and managed care organizations, argue:

In 2022 the state received 192,600 requests for QME Panels and assigned 141,239 Panels. These are not minor disputes being resolved – these reports determine whether temporary disability continues, whether a requested medical treatment is appropriate, or how much permanent impairment a worker has suffered from the injury.

Unfortunately, the Panel QME reports are frequently inadequate for the purpose of resolving disputes in the system. Resolution of disputes is frequently delayed so a supplemental report can be prepared or so the parties can depose the Panel QME. These delays harm injured workers and increase costs for employers. AB 1293 seeks to improve the quality of Panel QME reports with the aim of resolving disputes faster.

Arguments in Opposition

None on file.

FISCAL COMMENTS

According to the Senate Appropriations Committee, "DIR indicates that it would incur annual costs of about \$1 million to implement the provisions of the bill (Workers' Compensation Administration Revolving Fund.)"

VOTES:**ASM INSURANCE: 17-0-0**

YES: Calderon, Wallis, Addis, Alvarez, Ávila Farías, Berman, Chen, Ellis, Gipson, Hadwick, Harabedian, Krell, Nguyen, Ortega, Petrie-Norris, Michelle Rodriguez, Valencia

ASM APPROPRIATIONS: 14-0-1

YES: Wicks, Arambula, Calderon, Caloza, Dixon, Elhawary, Fong, Mark González, Hart, Pacheco, Pellerin, Solache, Ta, Tangipa

ABS, ABST OR NV: Sanchez

ASSEMBLY FLOOR: 78-0-1

YES: Addis, Aguiar-Curry, Ahrens, Alanis, Alvarez, Arambula, Ávila Farías, Bains, Bauer-Kahan, Bennett, Berman, Boerner, Bonta, Bryan, Calderon, Caloza, Carrillo, Castillo, Chen, Connolly, Davies, DeMaio, Dixon, Elhawary, Ellis, Flora, Fong, Gabriel, Gallagher, Garcia, Gipson, Jeff Gonzalez, Mark González, Hadwick, Haney, Harabedian, Hart, Hoover, Irwin, Jackson, Kalra, Krell, Lackey, Lowenthal, Macedo, McKinnor, Muratsuchi, Nguyen, Ortega, Pacheco, Papan, Patel, Patterson, Pellerin, Petrie-Norris, Quirk-Silva, Ramos, Ransom, Celeste Rodriguez, Michelle Rodriguez, Rogers, Blanca Rubio, Sanchez, Schiavo, Schultz, Sharp-Collins, Solache, Soria, Stefani, Ta, Tangipa, Valencia, Wallis, Ward, Wicks, Wilson, Zbur, Rivas

ABS, ABST OR NV: Lee

UPDATED

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