1709 Hermitage Boulevard, Suite 200 • Tallahassee • FL • 32308 jnmcconnaughhay@mcconnaughhay.com • T (850) 222-8121 • F (850) 222-4359 • www.mcconnaughhay.com

December 16, 2024

What's New In Our Workers' Compensation Industry Florida

Legislative Branch of Government

Bills Filed in Senate Related to Workers' Compensation

SB 66 amends §112.1816, F.S., revising the definition of the term "cancer" to include acute myeloid leukemia concerning benefits payable to firefighters under the Workers' Compensation Act.

Bills Filed in House Related to Workers' Compensation

None reported to date.

General Legislative News

Senator Blaise Ingoglia has been named the Chair of the Senate Banking and Insurance Committee. Senator Barbara Shairef will serve as Vice Chair. Senator Ingoglia has consistently been in a leadership position on insurance issues including workers' compensation, even when he was in the House. Legislation filed in the Senate related to workers' compensation will normally be filed in the Banking and Insurance Committee. Leadership in the House relating to workers' compensation issues has previously been announced. See prior Newsletters.

Executive/Administrative Branch of Government

Annual Report of the Office of the Judges of Compensation Claims

The 2023-24 Annual Report of the Office of Judges of Compensation Claims was recently published by the Florida Deputy Chief Judge of Compensation Claims, David W. Langham. Judge Langham presented a comprehensive report on the status of workers' compensation litigation in Florida. The annual report is published pursuant to §440.45(5), F.S. Some of the findings made in this 268 page report include the following:

- 1. New cases filed for consideration by Workers' Compensation Judges totaled 31,771, a decrease of .9% from 2022-23. Gross petitions for benefits which include new claims and pending claims filed for new cases and existing petitions number 81,145 which is an increase of 5.9% from 2022-23. These numbers do not reflect the pending petitions in regards to the payment of medical/prescription costs being administratively considered by the Division of Workers' Compensation.
- 2. Claimant attorney fees for 2023-24 amounted to \$251,750,922.00. This reflects an increase of 10.34% from 2022-23.
- 3. Defense fees reported amounted to \$273,450,529.00. This reflects an increase of 2.82% from 2022-23. This data may need to be revised since employers/carriers report attorney fees paid in a lump sum amount without an explanation as to the accuracy of such payments and not calculated on a case by case basis as required to be reported as provided in Section 400.45, F.S. The total amount of defense fees, especially when the defense is performed by in-house council, may well be in excess of that which is reported.
- 4. In an effort to save costs and beginning in 2022, JCC offices were closed in Gainesville, Lakeland, Melbourne, and Port St. Lucie. With the remote capabilities of litigating cases, additional cost saving measures may be forthcoming. "However, the Tallahassee district is expected to be integrated into the DOAH premises. In 2025-26, it is also anticipated that the Tampa office will relocate and that St. Petersburg will be consolidated with it." Additional cost savings for individual district offices are being discussed in this report.

Maximum Workers' Compensation Rate, Effective January 1, 2025

The maximum weekly compensation rate for work-related injuries and illnesses occurring on or after January 1, 2025, is \$1,295.

If you have any questions regarding the calculation of the maximum compensation rate, please contact Ms. Michelle Carter, Operations and Management Consultant Manager, Division of Workers' Compensation, Bureau of Monitoring and Audit, at Michelle.Carter@myfloridacfo.com.

Florida Chief Financial Officer Resigns

In a letter to the Governor dated November 25, 2024, Chief Financial Officer (CFO) Jimmy Patronis for the State of Florida has resigned his position effective March 31, 2025. The reason for the resignation is to allow him to become a candidate in the 2025 special election for Florida's First Congressional District. The primary election for this congressional district is currently scheduled for January 28, 2025 with the general election set for April 1, 2025. As the CFO for the State of Florida, Mr. Patronis is the chief fiscal officer of the state and is the statutory head of the Department of Financial Services which consists of multiple divisions and offices, significantly, the WC system for the state of Florida. The office of the CFO is a

constitutionally created cabinet member. Unquestionably, he plays a major role in the oversight of workers' compensation issues for this state. No replacement for the CFO has been named.

Judicial Branch of Government

Villaverde v. Castillo, et al 49 FLW D2368 11/27/2024

Appeal dismissed because counsel, who identified itself as the Appellant, was not a party to the proceedings below. *Trifecta Services Company v. Najar, 392 So. 3d 800* dated 9/4/2024, court determined pursuant to Section 440.09(1)(d), Florida Statutes, that an out of state accident was compensable under the Florida Workers' Compensation Act. The claimant's employment contract was formed while the claimant was residing in Florida and the claimant's acceptance of the employer's offer in Florida was the last act necessary to form the contract.

<u>Trifecta Services Company v. Najar</u> 49 FLW D1829 09/04/2024

Court determined that Florida law applied in determining benefits related to an accident that occurred outside of the state of Florida. The claimant's employment contract was formed while the claimant was residing in Florida. The claimant's acceptance of the employer's offer of employment occurred in Florida which was the last act necessary to form the contract of employment.