

The Advisory Council on Workers' Compensation and Occupational Disease Disablement

is a statutory body created by the Workers' Compensation Law of New Mexico, whose members are appointed by the Governor to represent employers and workers.

The duty of the Council is to report annually to the Governor and Legislature concerning the state of the workers' compensation system in New Mexico and **to make recommendations regarding rules and legislation.**

There are six voting members of the Council.

Three members represent employers.

Three members represent workers.

The Director of the Workers' Compensation Administration is ex-officio, non-voting member of the Council.

According to the Workers' Compensation Act no member representing employers or workers can be an attorney.



Mission

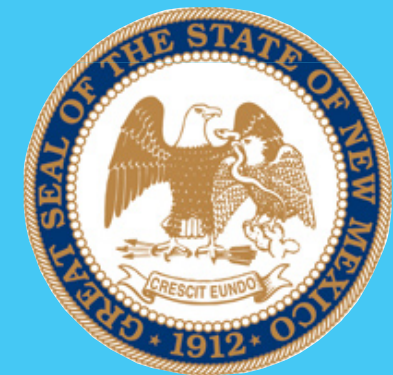
The mission of the Advisory Council on Workers' Compensation and Occupational Disease Disablement is:

- ✈ to monitor the performance of the workers' compensation and occupational disease disablement system; and
- ✈ to make recommendations to the Governor, Legislature, regulatory agencies and participating industries, related to the adoption of rules and legislation and the method and form of statistical data collections;

in order to assure the quick and efficient delivery of indemnity and medical benefits to injured and disabled workers at a reasonable cost to employers.

A part of the major legislative reform of the workers' compensation system was to create the Advisory Council to review potential amendments to the Act. The Council listens to all parties, obtains available data, attempts to determine the cost and benefit to the system that may occur by any amendment. The Council attempts to obtain a consensus from business and labor, and any other effected parties, on any change to the Act **before** making any recommendation to the Governor and Legislature.

State of New Mexico



Advisory Council on Workers' Compensation and Occupational Disease Disablement

The Advisory Council was created by the New Mexico State Legislature as part of the Workers Compensation Reform Act of 1990.

The Council has worked conscientiously to maintain a consensus of its business and labor members that support the mutual goals of New Mexico employers and workers.

New Mexico's Workers' Compensation System Compared To Other States

The success of our system is based on the law itself. The challenge is to sustain this level of success in a manner that maintains balance in the system that is fair to workers and employers. The Advisory Council is one of the primary mechanisms created by the Legislature to accomplish this.

The New Mexico workers' compensation system is a national model for stability and cost-effectiveness.



The New Mexico workers' compensation system underwent a major legislative reform in 1990 - driven by a unique coalition of business and labor, working together with legislative leaders. Since the reform, New Mexico premiums have come down and remained competitive, year after year.

Based on national statistics, New Mexico insurance premiums have averaged less than half of highest-cost states such as California, supporting economic development for both new and existing business.

Workers' compensation system cost savers:



The law discourages frivolous and fraudulent claims.

All settlements must be approved by a Workers' Compensation Judge

The law does not recognize "stress" claims

"Mental impairment" is limited to strictly defined circumstances

New Mexico reduces reliance on lawyers and litigation.

Unnecessary litigation is expensive. The Act is designed to reduce litigation.

Injured workers' benefits are determined by objective formula.



WCA Ombudsman Program helps all parties to understand their rights and responsibilities and resolves some disputes

Mandatory mediation resolves about 86% of all disputed cases

Attorney fees are capped.

Medical costs are contained.

The two basic aspects of medical costs: is a medical procedure reasonable and necessary, and is it fairly priced.

schedule of maximum allowable payments (fee schedule) is in place

Hospital stays require pre-authorization.



Vocational rehabilitation is voluntary and is provided only when genuinely useful.

There is no mandate to provide vocational rehabilitation.

Safety Assistance Program

The Stay at Work / Return to Work Program is encouraged.