
DIGEST

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HB 780 Engrossed

2026 Regular Session

Firment

Abstract: Provides relative to the nonpayment, discontinuation of payment, or failure to consent for a medical treatment for workers' compensation claims, controversion of benefits, and preliminary determination hearings.

Present law imposes a penalty on an employer or insurer for failing to pay benefits or to provide consent when an employee requests to select a treating physician or change physicians. Present law provides that the penalty can be an amount up to 12% or \$50 per a day, in addition to attorney fees.

Proposed law adds the condition of discontinuance of payment owed to the aforementioned conditions on what shall be considered as grounds for being penalized.

Proposed law mandates that the party claiming penalties and attorney fees shall bear the burden of proof by a preponderance of the evidence.

Present law allows a maximum penalty amount of \$8,000 to be imposed at a hearing on the merits. Proposed law retains present law.

Present law provides that present law (R.S. 23:1201(F)) does not apply if the claim is reasonably converted or if the employer or insurer fails to pay due to conditions which they had no control over.

Proposed law instead provides that present law (R.S. 23:1201(F)) shall only apply if the nonpayment, discontinuance of payment, or failure to consent to the employee's request to select a treating physician or change physicians is found to be arbitrary, capricious, or without probable cause.

Proposed law also provides that present law (R.S. 23:1201(F)) shall not apply if the nonpayment, discontinuance of payment, or failure to consent to the employee's request to select a treating physician or change physicians is the result of conditions the employer or insurer had no control over.

Present law provides upon the first payment of compensation or upon any modification, suspension, termination, or controversion of compensation or medical benefits for any reason, including but not limited to issues of medical causation, compensability of the claim, or issues arising out of provisions of present law, the employer or payor, or their authorized agent or attorney, who has been notified of the claim shall do all of the following:

(1) Prepare a "Notice of Modification, Suspension, Termination, or Controversion of

Compensation or Medical Benefits".

- (2) Send the notice of the initial indemnity payment to the injured employee on the same day as the first payment of compensation is made by the payor after the payor has received notice of the claim from the employer.
- (3) Send a copy of the notice of the initial payment of indemnity to the office within 10 days from the date the original notice was sent to the injured employee or to his representative.
- (4) Send the "Notice of Payment, Modification, Suspension, Termination, or Controversion of Compensation or Medical Benefits" to the injured employee by certified mail, to the employee's address where he receives payments of compensation, on or before the effective date of a modification, suspension, termination, or controversion.
- (5) Send a copy of the "Notice of Payment, Modification, Suspension, Termination, or Controversion of Compensation or Medical Benefits" to the office on the same business day as sent to the employee or his representative.

Proposed law removes provisions of present law that reference sending a copy of the indemnity payment. Proposed law also adds certain delivery requirements that must be made within 10 business days.

Present law requires the office of workers' compensation administration (OWCA) to promulgate the "Notice of Payment, Modification, Suspension, Termination, or Controversion of Compensation or Medical Benefits" form.

Proposed law instead requires upon any modification, suspension, termination, or controversion of compensation or medical benefits for any reason, including but not limited to issues of medical causation, compensability of the claim, or issues arising out of provisions of present law, the employer or payor, or their authorized agent or attorney, to do all of the following:

- (1) Prepare a "Notice of Payment, Modification, Suspension, Termination, or Controversion of Compensation or Medical Benefits" on a LWC-WC 1002 form or any other form promulgated by the assistant secretary.
- (2) Send the notice to the injured employee within three business days after the effective date of the modification, suspension, termination, or controversion.
- (3) Send a copy of the notice to the OWCA on the same date the original notice was sent to the employee.

Proposed law requires the employee to provide a mailing address and an email address upon the employer's or payor's request. Proposed law also provides that any notice required to be sent shall be sent and delivered in any of the following ways:

- (1) The address where the injured employee receives payment of indemnity benefits.
- (2) The employee's email address.
- (3) Hand delivered to the employee.

Present law provides notice requirements for when the injured employee is represented by an attorney. Proposed law adds additional delivery options and otherwise retains present law.

Present law provides that if there is a dispute between the parties and upon a rule to show cause held prior to the preliminary determination or any other hearing, the workers' compensation judge shall determine whether the employer is in compliance.

Proposed law repeals present law and instead requires an employee who objects to a request for a preliminary determination to file a motion to strike the request within 10 business days of receiving the required documentation.

Proposed law requires the motion to contain factual and legal bases for the objection. Proposed law also requires the workers' compensation judge to consider the motion by a rule to show cause prior to any preliminary determination hearing.

Proposed law states that failure to file the motion to strike within the prescribed time period shall be considered a waiver of any objection to the preliminary determination hearing.

Present law imposes a penalty plus reasonable attorney fees on an employer or insurer who discontinues payment of claim and if it is determined that such discontinuance is arbitrary, capricious, or without probable cause. Present law provides that such penalty shall not exceed \$8,000.

Proposed law repeals present law.

Present law provides that the provisions set forth in present law (R.S. 22:1892(C)), which address how payment of workers' compensation claims is dispensed, shall be applicable to claims arising under present law (R.S. 23:1020 et seq.).

Proposed law repeals present law.

(Amends R.S. 23:1201(F)(intro. para.) and (2) and 1201.1(A), (B), (D), (E), (G)-(I), (J)(2)-(4), and (K)(1)(intro. para.) and (2)-(5); Adds R.S. 23:1201(F)(6); Repeals R.S. 23:1201(I) and 1201.1(A)(4) and (5))

Summary of Amendments Adopted by House

The Committee Amendments Proposed by House Committee on Labor and Industrial Relations to the original bill:

1. Allow the employer's or payor's authorized agent or attorney to prepare a notice as required by present law and proposed law and send such notice to all necessary parties upon the first payment of compensation.
2. Allow the employer's or payor's authorized agent or attorney to prepare a notice as required by proposed law and send such notice to all necessary parties upon any modification, termination, or controversion of compensation or medical benefits.
3. Delete the definition of "arbitrary, capricious, and without probable cause".
4. Make technical changes.