

1.1 ..... moves to amend H.F. No. 2740 as follows:

1.2 Delete everything after the enacting clause and insert:

1.3 "Section 1. **TRANSFER.**

1.4 By July 31, 2014, if the commissioner of commerce determines that the surplus  
1.5 in the assigned risk plan created under Minnesota Statutes, section 79.252, exceeds  
1.6 \$50,000,000, the commissioner of management and budget shall transfer the amount of  
1.7 the surplus in excess of \$50,000,000, not to exceed \$10,000,000, to the general fund. This  
1.8 transfer occurs prior to any transfer under section 79.251, subdivision 1, paragraph (a),  
1.9 clause (1). If a transfer occurs under this section, the amount transferred is appropriated  
1.10 from the general fund in fiscal year 2015 to the commissioner of labor and industry for  
1.11 the purposes of section 2.

1.12 Sec. 2. **WORKERS COMPENSATION SYSTEM; APPROPRIATION.**

1.13 (a) The appropriation under section 1 to the commissioner of labor and industry is  
1.14 for reform of the workers' compensation system. Funds appropriated under this section  
1.15 may be used by the commissioner for expenditures that are reasonable and necessary to  
1.16 defray the costs of the anticipated implementation by hospitals, insurers and self-insured  
1.17 employers of the new system including but not limited to a Medicare-based diagnosis  
1.18 related group (MS-DRG) system for payment of workers' compensation inpatient hospital  
1.19 services, litigation expense reform, worker safety training, administrative costs, or other  
1.20 related system reform. Of the amount appropriated, up to \$100,000 may be used by the  
1.21 commissioner to develop and implement the new system. This is a onetime appropriation.  
1.22 Notwithstanding Minnesota Statutes, section 16A.28, the commissioner of management  
1.23 and budget shall transfer any balance of this appropriation remaining on June 30, 2017, or  
1.24 the date the commissioner of commerce determines that the surplus in the assigned risk  
1.25 plan is less than \$50,000,000, whichever occurs earlier, to the assigned risk plan.

- 2.1 (b) For the purposes of this section, reasonable and necessary system reform and  
2.2 implementation costs include, but are not limited to:
- 2.3 (1) the cost of analyzing data to determine the anticipated costs and savings of  
2.4 implementing the new system;
- 2.5 (2) the cost of analyzing system or organizational changes necessary for  
2.6 implementation;
- 2.7 (3) the cost of determining how an organization would implement grouper or other  
2.8 software;
- 2.9 (4) the cost of upgrading existing software or purchasing new software and other  
2.10 technology upgrades needed for implementation;
- 2.11 (5) the cost of educating and training staff about the new system as applied to  
2.12 workers' compensation; and
- 2.13 (6) the cost of integrating the new system with electronic billing and remittance  
2.14 systems."