**STATE OF CALIFORNIA**

**DEPARTMENT OF INDUSTRIAL RELATIONS**

**DIVISION OF WORKERS’ COMPENSATION**

**FINAL STATEMENT OF REASONS**

**Subject Matter of Regulations: Workers’ Compensation**

**Qualified Medical Evaluator Regulations**

**TITLE 8. CALIFORNIA CODE OF REGULATIONS**

**SECTION 36.7**

The Administrative Director of Division of Workers’ Compensation, pursuant to the authority vested by Labor Code sections 53, 111(a), 133, 139.2 and 5307.3, has adopted the regulation described below, to implement, interpret, and make specific the provisions of Labor Code section 139.2 and Labor Code section 4628. The regulation adopts Article 3 of Chapter 1, of Title 8, California Code of Regulations section 36.7. The regulation governs Workers’ Compensation Qualified Medical Evaluators. The regulation is:

Adopt section 36.7 Electronic Service of Medical-Legal Reports by Medical Evaluators

**REQUEST AND GOOD CAUSE FOR EFFECTIVE DATE UPON FILING WITH THE SECRETARY OF STATE**

The proposed regulation adopt Article 3 of Chapter 1, Title 8, California Code of Regulations, section 36.7. This regulation (with some modifications) was in effect as an emergency regulation beginning in May 2020 through February 18, 2022. Stakeholders benefits from this regulation with more timely receipt of medical-legal reports and resulting timely benefits to injured workers. If the regulation does not become effective upon filing with the Secretary of State, the earliest they can take effect is July 1, 2022, which can cause delays in workers compensation. The Division provides the following reasons why there is good cause for the effective date of these regulations to become effective upon filing with the Secretary of State.

The proposed regulation reduces waste by decreasing printing and postage through use of electronic service. Further, the parties receive the report faster which results in benefits being issued to injured workers. This regulation was in effect from May 2020 to February 18, 2022 and stakeholders have developed systems to comply with this regulation and would like to utilize these business systems for efficiency.

Accordingly, for the reasons mentioned above, there is good cause for the effective date of these regulations to be effective upon filing with the Secretary of State.

**UPDATE OF INITIAL STATEMENT OF REASONS AND INFORMATIVE DIGEST**

As authorized by Government Code §11346.9(d), the Administrative Director hereby incorporates by reference the entire Initial Statement of Reasons and Addendum to the Initial Statement of Reasons prepared in this matter. Unless a specific basis is stated below for any modification to the regulation as initially proposed, the necessity for the amendments to existing regulation and for the adoption of a new regulation as set forth in the Initial Statement of Reasons continues to apply to the regulation as now adopted.

The following modifications from has been made:

**Subsection (a)(3)** was modified to include a requirement that the party whose electronic address has changed has the obligation to file a notice of change of address with the physician and all parties.

Specific Purpose:

To provide clarity as to who has the obligation to inform parties of the most up to date electronic address.

Necessity:

To standardize the process by which to update a new electronic address and provide notice to parties.

**LOCAL MANDATES DETERMINATION**

* Local Mandate: None. The proposed regulation will not impose any new mandated programs or increased service levels on any local agency or school district.
* Cost to any local agency or school district that is required to be reimbursed under Part 7 (commencing with Section 17500) of Division 4 of the Government Code: None. The proposed adoption may be utilized by a local agency or school district however there is no increased cost to the agency through use of electronic service.
* Other nondiscretionary costs/savings imposed upon local agencies: None. The proposed adoption is optional and would not result if utilized to any costs or savings to any local agency or school district.

**CONSIDERATION OF ALTERNATIVES**

The Division considered all comments submitted during the public comment periods. The Administrative Director has now determined that no alternatives proposed by the regulated public or otherwise considered by the Division of Workers' Compensation would be more effective in carrying out the purpose for which this regulation is proposed, nor would they be as effective and less burdensome to affected private persons and businesses than the regulation that is adopted or would be more cost-effective to affected private persons and equally effective in implementing the statutory policy or other provision of law.

**SUMMARY OF COMMENTS RECEIVED AND RESPONSES THERETO CONCERNING THE REGULATIONS ADOPTED**

The comments of each organization or individual are addressed in the following charts.

The public comment period was as follows:

**Initial 45-day comment period on proposed regulation:**

From October 29, 2021 to December 17, 2022.

**15-Day Comment period on proposed regulation:**

From February 28, 2022 to March 15, 2022