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### **Businesses Say Repairing Workers' Compensation System Is Top Priority for 2013 Legislature**

(OKLAHOMA CITY, OKLAHOMA — January 8, 2013) A group of Oklahoma's leading employers are saying the need for major reform of the state's broken workers' compensation system has reached a critical point and should be a top priority for the Legislature when it convenes in 2013.

"The evidence is overwhelming that something must be done. A system that was designed to protect employees has been transformed into an entitlement program for special interests that benefit by fueling friction and litigation that could be avoided," said Becky Robinson, assistant vice president, risk manager for Hobby Lobby and chair of the Oklahoma Injury Benefit Coalition.

Robinson continued, "The current system is broken. It no longer functions in a way that allows employers and employees to effectively and efficiently address injury claims. It is a huge impediment to economic growth in the state. We can do better."

Robinson's assertions are backed up by the response that more than 5,300 Oklahoma employers provided in the 2012 Fall in for Business survey when they indicated that workers' compensation costs are the No. 1 challenge to doing business in the state. Those responses are supported by multiple national rankings that classify the Oklahoma system as one of the worst in the country.

In 2011, the Oklahoma Legislature approved reforms to the system with the adoption of HB 878 and while many, including OIBC members, applaud that effort, legislative leaders and employers are suggesting that the changes will not be enough. The Oklahoma insurance commissioner recently announced that workers' compensation rates will increase again in 2013.

The Oklahoma Legislature came within a handful of votes of adopting the Oklahoma Employee Injury Benefit Act during its 2012 session. The Act would have allowed employers to manage their occupational injury claims through an alternative process in lieu of participating in the state's workers' compensation system. As proposed, the alternative would have provided workers more protections than a similar option offered in Texas, resulted in better medical outcomes, allowed companies the ability to increase the efficiencies of their operations, and provided the state an important economic advantage in the race to attract and retain jobs. The proposal was sponsored by Senator Brian Bingman, R-Sapulpa, and Speaker Kris Steele, R-Shawnee, and is expected to be considered again during the 2013 session.

Chris Davis, president of SYSCO Oklahoma and a member of the OIBC, stated, "The companies that support this alternative strive to be great places to work. They would not support such an approach if it weren't the right thing to do for their employees."

In a survey of injured workers employed by Texas companies utilizing the similar alternative, 78 percent of the employees indicated they were satisfied or very satisfied with the handling of their claim by their employer's plan.

In addition to the high satisfaction of the alternative among employees, 18 Texas companies saved an average of 76 percent in total claim costs in their first year of using an alternative similar to the one being proposed for Oklahoma. The savings were achieved through more timely reporting of injuries, better medical management and a more efficient dispute resolution process for claims.

The State Chamber of Oklahoma made passage of the Oklahoma Employee Injury Benefit Act a top priority in 2012, and has indicated it will do so again in 2013.

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