

Act Number: 09-088

Bill Number: 5519

Senate Pages: 2350, 2585-2588 **5**

House Pages: 3040-3053, 3112-3119 **22**

Committee: Labor: 957-960, 1005-1009 **9**

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GENERAL ASSEMBLY
SENATE**

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PART 8
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Without objection, so ordered.

SENATOR LOONEY:

Thank you, Mr. President. Continuing Calendar page 16, Calendar 630, House Bill 5519, Mr. President, move to place that item on the Consent Calendar.

THE CHAIR:

Without objection, so ordered.

SENATOR LOONEY:

Thank you, Mr. President. Calendar page 17, Calendar 634, House Bill 6544 is marked "go."

Calendar page 18, Calendar 638, House Bill 6028, Mr. President, move to refer that item to the Committee on Energy and Technology.

THE CHAIR:

Without objection, so ordered.

SENATOR LOONEY:

Thank you, Mr. President. Continuing Calendar page 18, Calendar 642, House Bill 6489, Mr. President, move to refer that item to the Appropriations Committee.

THE CHAIR:

Without objection, so ordered.

SENATOR LOONEY:

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that it be placed on the Consent Calendar.

THE CHAIR:

Without objection, so ordered. Mr. Clerk, would you please return to the call of the Calendar. Mr. Majority Leader.

SENATOR LOONEY:

Thank you, Mr. President. Mr. President, if the Clerk might call the first Consent Calendar.

THE CHAIR:

Mr. Clerk.

THE CLERK:

The roll call has been ordered in the Senate on the Consent Calendar. Will all Senators please return to the Chamber? An immediate roll call has been ordered in the Senate on the Consent Calendar. Will all Senators please return to the Chamber? Mr. President, those items placed on the first Consent Calendar begin on Calendar page 5. Calendar Number 392, House Bill 6433.

Calendar 397, Substitute for House Bill 5915.

Calendar 405, House Bill 5536.

Calendar page 6, Calendar 406, House Bill 5873.

Calendar 457, substitute for House Bill 6264.

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Calendar page 12. Calendar Number 599,
substitute for House Bill 6463.

Calendar page 13, Calendar 608, House Bill 6640.

Calendar page 14, Calendar 611, substitute for
House Bill 6341.

Calendar 612, substitute for House Bill 6286.

Calendar 620, substitute for House Bill 5664.

Calendar page 15, Calendar 622, substitute for
House Bill 6496.

Calendar page 16, Calendar 628, House Bill 5809.

Calendar 630, substitute for House Bill 5519.

Calendar page 23, Calendar Number 284, substitute
for Senate Bill 290.

Calendar page 24, Calendar 103, Senate Bill 754.

Calendar 120, Senate Bill 818.

Calendar 136, Senate Bill 789.

Calendar page 26, Calendar 179, substitute for
Senate Bill 951.

Calendar page 27, Calendar 207, substitute for
Senate Bill 950.

Calendar page 29, Calendar 252, substitute for
Senate Bill 1068.

Calendar page 34, Calendar Number 420, Senate

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Bill 325.

And Calendar page 40, Calendar Number 541, House
Bill 6076.

Mr. President, that completes the items placed on
the first Consent Calendar.

THE CHAIR:

On the first Consent Calendar, the machine is
open.

THE CLERK:

The Senate is now voting by roll call on the
Consent Calendar. Will all Senators please return to
the Chamber? The Senate is now voting by roll call on
the Consent Calendar. Will all Senators please return
to the Chamber?

THE CHAIR:

Have all the Senators voted? Seeing that all
Senators have voted, the machine will be closed.
Clerk, please announce the tally.

THE CLERK:

Motions on adoption to the Consent Calendar,
number 1.

Total Number Voting 36

Those voting Yea 36

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Those voting Nay 0

Those absent and not voting 0

THE CHAIR:

The Consent Calendar is adopted. Mr. Majority
Leader.

SENATOR LOONEY:

Thank you, Mr. President. Mr. President, a few more items to be marked "go." First, Calendar page 29, Calendar 249, House Bill 6185. Calendar page 35, Calendar 424, Senate Bill 1045. Calendar page 36, Calendar 429, Senate Bill 940. Thank you, Mr. President.

THE CHAIR:

Thank you, sir. Mr. Clerk.

THE CLERK:

Turning to Calendar page 29, Calendar Number 249, Files number 49 and 285, House Bill 6185, AN ACT CONCERNING PENALTIES FOR VIOLATIONS OF CERTAIN PERSONNEL FILE STATUTES as amended by House Amendment, Schedule "A". Favorably Reported, Committee on Labor and Judiciary.

THE CHAIR:

Senator Prague.

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GENERAL ASSEMBLY
HOUSE**

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Those voting Nay 30
Those absent and not voting 5.

DEPUTY SPEAKER ALTOBELLO:

Bill as amended is passed.

Will the Clerk please call Calendar 127.

THE CLERK:

On page 32, Calendar 127, substitute for House
Bill Number 5519, AN ACT CONCERNING WORKERS'
COMPENSATION PREMIUMS AND VOLUNTEER AMBULANCE
COMPANIES, favorable report by the Committee on
Planning and Development.

DEPUTY SPEAKER ALTOBELLO:

Representative Ryan of the 139th, you have the
floor.

REP. RYAN (139th):

Yes. Thank you, Mr. Speaker. I move for
acceptance of the joint committee's favorable report
and passage of the bill.

DEPUTY SPEAKER ALTOBELLO:

The question before the chamber is acceptance of
the joint committee's favorable report and passage of
the bill. Please proceed, sir.

REP. RYAN (139th):

Thank you, Mr. Speaker. Currently, workers

compensation premiums for ambulance -- volunteer ambulance associations are assessed at each vehicle that is owned by a volunteer ambulance company. This can kind of be deceptive because, well, one vehicle may be used and a couple are kept in storage as a backup, in case of mechanical problem. The rates for workers compensation are assessed on the number of vehicles and not on the number of hours provided by the -- either vehicle. So the basic question becomes if I'm buying a workers compensation insurance coverage, why is it based upon vehicles and not personnel? For example, if they have the same number of volunteers where they operate one ambulance in three, but the expense because of three vehicles with the same number of personnel is three times higher. So this bill tries to provide relief to the municipal and volunteer ambulance services, which will certainly be appreciated by municipalities, by reducing the workers compensation insurance premiums.

In a desperate attempt to make this a better bill, the Clerk has an amendment, LCO Number 6460.

DEPUTY SPEAKER ALTOBELLO:

Would the Clerk please call LCO 6460.

THE CLERK:

LCO 6460, House A offered by Representative Ryan,
Representative Noujaim, et al.

DEPUTY SPEAKER ALTOBELLO:

Shall be designated House Amendment Schedule A.
Would you care to summarize, Representative Ryan?

REP. RYAN (139th):

Yes. Thank you, Mr. Speaker. Basically, this just makes us -- tweaks the bill a little bit to define ambulance usage to be -- it says that shouldn't be determined by the estimated number of calls responded to in the primary service area and helps to better define this municipal and volunteer ambulance services. I move for adoption.

DEPUTY SPEAKER ALTOBELLO:

Question before the chamber is adoption of House A. Adoption of House A. Further -- Representative Perillo of the 113th, you have the floor, sir.

REP. PERILLO (113th):

Mr. Speaker, again, thank you. Through you a few questions for the distinguished Chair of the Labor Committee, if I may.

DEPUTY SPEAKER ALTOBELLO:

Please proceed, sir.

REP. PERILLO (113th):

A question specifically about the types of ambulance services that would be subject to the amendment, which is essentially a strike all to the bill before us, it references both municipal and volunteer ambulance services. My question is this, many municipal ambulance services have paid employees so why would municipal ambulance services with paid employees have premiums determined by the number of calls and not the actual salary paid to those employees? Through you, Mr. Speaker.

DEPUTY SPEAKER ALTOBELLO:

Representative Ryan.

REP. RYAN (139th):

I think in those cases, through you, Mr. Speaker, the individuals -- well, that's the point we're trying to make. Their workers comp premiums should be assessed on the number of workers involved in the number of vehicles owned and it should result in a lower cost to the municipality which would be a benefit whether it's a municipal or a volunteer ambulance service.

DEPUTY SPEAKER ALTOBELLO:

Representative Perillo.

REP. PERILLO (113th):

I thank the gentleman for his answer. I don't know that it answers my question. If an ambulance service with employees is a privately owned ambulance service, it's premiums are based upon the actual value of the salaries and wages paid to its employees, a municipal ambulance service that pays its employees would have salary and wages, why then would their premiums be based upon call volume and not on the salaries and wages? Again, through you, Mr. Speaker.

DEPUTY SPEAKER ALTOBELLO:

Representative Ryan.

REP. RYAN (139th):

Through you, Mr. Speaker, again, I think there might be some associations and the distinctions made to those volunteer organizations that are owned by the municipality itself. For example, a town may own the facilities, may own the ambulance, but have volunteers running them. And again, this assessment would be made upon the number of personnel, the number of calls that each ambulance is making rather than on the number of vehicles.

DEPUTY SPEAKER ALTOBELLO:

Representative Perillo.

REP. PERILLO (113th):

Again, I thank the gentleman for his answer and I'll try and relate it to -- we'll take it out of the realm of ambulance services and call it a grocery store. If a privately owned grocery store as workers compensation insurance for its employees, that premium is going to be based upon the salary and wages paid to those employees at a given rate depending upon the riskiness and the danger involved in the job. Say \$5 per every \$100 of salary and wages. Again, I do not understand why in this case for a municipal ambulance service that pays its employees, why we would base the premium on call volume and not on the actual wages. The reason why I ask is municipal ambulance service A may pay its employees \$30 an hour. Municipal ambulance service B may pay its employees \$20 an hour. If they have the same call volume, their premiums are going to be the same according to this bill. Why would that be? Through you, Mr. Speaker.

DEPUTY SPEAKER ALTOBELLO:

Representative Ryan.

REP. RYAN (139th):

As I explained earlier, the intent is, as I said, if they're paid personnel, obviously that purpose -- for somebody who has paid personnel, typical workers'

comp premiums are decided in a typical manner for any paid employee. In those cases where we have a municipal owed ambulance service operated by volunteers who do not get paid, but are still covered under the municipality's workers' comp, the way that that workers comp premiums would be determined will be by the number of calls per ambulance rather than by number of vehicles owned.

DEPUTY SPEAKER ALTOBELLO:

Representative Perillo.

REP. PERILLO (113th):

Thank you, Mr. Speaker, and again through you to follow up on that point, to clarify for legislative intent. This is intended only to apply to volunteer services whether they be a privately run volunteer service or a municipally run volunteer service. This is not intended for ambulance services that have paid employees. Through you, Mr. Speaker.

DEPUTY SPEAKER ALTOBELLO:

Representative Ryan.

REP. RYAN (139th):

That would be my -- that is what I'm being told in my left ear as that is the intent of the bill. It is only for those individuals who are not paid for

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their services.

DEPUTY SPEAKER ALTOBELLO:

Representative Perillo.

REP. PERILLO (113th):

I thank the Chairman for his clarification. I have another question as a follow-up, specifically, through you, Mr. Speaker, if I may, specifically the bill refers to ambulance call volume in the primary service area or the PSA. Why, through you Mr. Speaker, will we not be counting ambulance call volume that is done by volunteer or a municipal service outside of his PSA? Through you, Mr. Speaker.

DEPUTY SPEAKER ALTOBELLO:

Representative Ryan.

REP. RYAN (139th):

I'm sorry. I could not hear his question. Could he repeat it, please?

DEPUTY SPEAKER ALTOBELLO:

Representative Perillo, would you mind repeating your query?

REP. PERILLO (113th):

I would gladly repeat that question. The amendment which is a strike all as it's worded right now, would base premiums on call volume of an

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ambulance service, call volume that is done within the primary service area, which is designated by the Department of Public Health. My question is why would we not be considering ambulance call volume done outside the primary service area? Through you, Mr. Speaker.

DEPUTY SPEAKER ALTOBELLO:

Representative Ryan.

REP. RYAN (139th):

I believe the purpose is that they are supposed to be servicing only that particular area and I think that's where the workers' comp coverage would take place. Since I -- I think the change and scope of the coverage, that they should leave that area, I believe is how it works.

DEPUTY SPEAKER ALTOBELLO:

Representative Perillo.

REP. PERILLO (113th):

Mr. Speaker, through you, another question. So then if the opinion is only covering the call volume in the primary service area, if a volunteer were injured on a call outside the service area, then the insurance is not intended to cover them for that call? Through you, Mr. Speaker.

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DEPUTY SPEAKER ALTOBELLO:

Representative Ryan.

REP. RYAN (139th):

Yeah, if you could just give us a moment, sir, we're going to look at the statute to which it refers to make sure we give them the correct answer.

DEPUTY SPEAKER ALTOBELLO:

Yes, indeed.

Representative Ryan.

REP. RYAN (139th):

Yes, thank you, Mr. Speaker. According to statute, it says the primary service area means the specific geographic area to which one designated emergency medical services provider is assigned to each category of emergency medical responsive services. So I believe that it would -- since that is going to be defined by statute, it must be worked out with, probably the Department of Public Health. That has to be sure that they're within their realm of service to be properly covered by the workers comp coverage.

DEPUTY SPEAKER ALTOBELLO:

Representative Perillo.

REP. PERILLO (113th):

I thank the gentleman for his explanation of the public health code. My question specifically relates to situations of mutual aid. It is not unusual for a volunteer ambulance service with a primary service area of a given geographic area to from time to time require mutual aid services from another volunteer ambulance service in an adjacent town serving an adjacent primary service area which is a different geographic area. So because there is such a proliferation of the use of mutual aid throughout the state of Connecticut and it works in a system very, very well for that matter, I am wondering why we are not considering the call volume that comes subject to the mutual aid so if ambulance service A serving town A does 500 ambulance calls a year in towns B, C and D through mutual aid agreements, why those 500 calls are not being considered in the calculation of its premiums. Through you, Mr. Speaker.

DEPUTY SPEAKER ALTOBELLO:

Representative Ryan.

REP. RYAN (139th):

It's my understanding, I think, in those particular cases that there was a mutual agreement between different entities that they would be

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considered in the calculation of your premium and those calls will be counted towards the determination of the final premium.

DEPUTY SPEAKER ALTOBELLO:

Representative Perillo.

REP. PERILLO (113th):

I'm sorry. Could the gentleman explained that answer again, because I think it's different than something he told me before? Through you, Mr. Speaker.

DEPUTY SPEAKER ALTOBELLO:

Representative Ryan.

REP. RYAN (139th):

I'm trying to figure out what is different. Okay. Through you, Mr. Speaker -- okay. I think when I spoke earlier I said it would be through the primary service area. We have a definition from statute. I think in the particular case which he cited, which was a mutual call arrangement, those agreements are usually decided between entities when they respond to one another and help each other out and I think in that particular case, that if these agreements are known, that that would be part of their primary service area for those where there would be traveling

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to during those -- as called by those mutual call agreements.

DEPUTY SPEAKER ALTOBELLO:

Representative Perillo.

REP. PERILLO (113th):

Thank you, Mr. Speaker. In due respect to the distinguished Chair of labor, that is actually not true. The primary service area is designated by the Department of Public Health. It is a specific geographic area. Any mutual aid agreements that may or may not be entered into are in addition to that, and any call volume subject to those which will aid agreements in a different geographical area would indeed not be in -- be given ambulance services primary service area.

So they would actually not fall subject to what is in this bill and they would not be included in the calculation of a premium. And, again through you Mr. Speaker, I still don't understand why. If we are trying to base -- and this is a laudable goal, by the way, because the statutes as currently written actually don't make sense. They should not be based on the number of ambulances. They should actually be based on call volume, but that is not what this bill

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does. This bill simply bases premiums on a portion of call volume when we all know that there will be calls outside the primary service area. In many cases, a material number of calls, so why then are they not included in the premium calculation? Through you, Mr. Speaker.

DEPUTY SPEAKER ALTOBELLO:

Representative Olson of the 46th, you have the floor, madam.

REP. OLSON (46th):

Good afternoon, Mr. Speaker.

DEPUTY SPEAKER ALTOBELLO:

Good afternoon, madam.

REP. OLSON (46th):

I would move that we pass this bill temporarily.

DEPUTY SPEAKER ALTOBELLO:

Without objection, so ordered.

With the Clerk please call Calendar 376.

THE CLERK:

On page 42, Calendar 376, substitute for House Bill Number 6467, AN ACT CONCERNING SMART GROWTH AND PLANS OF CONSERVATION AND DEVELOPMENT, favorable report of the Committee on Appropriations.

DEPUTY SPEAKER ALTOBELLO:

call. Members to the chamber. The House is voting by roll call. Members to the chamber, please.

SPEAKER DONOVAN:

Have all the members voted? Have all the members voted? If all the members voted, please check the board to make sure your vote has been properly cast. If all the members have voted, the machine will be locked and the Clerk will please take a tally. Clerk, please announce the tally.

THE CLERK:

Senate Bill that 959 as amended by Senate A, in concurrence with the Senate.

Total Number Voting	142
Necessary for Passage	72
Those voting Yea	142
Those voting Nay	0
Those absent and not voting	9

SPEAKER DONOVAN:

The bill passes in concurrence with the Senate.

Will the Clerk please call Calendar Number 127.

THE CLERK:

On page 32, Calendar 127, substitute for House Bill Number 5519, AN ACT CONCERNING WORKERS' COMPENSATION PREMIUMS AND VOLUNTEER AMBULANCE

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COMPANIES, favorable report of the Committee on Planning and Development. House A has been designated.

SPEAKER DONOVAN:

The distinguished Chair of the Labor Committee, Representative Ryan.

REP. RYAN (139th):

Thank you, Mr. Speaker. I move for acceptance of the joint committee's favorable report and passage of the bill.

SPEAKER DONOVAN:

Proceed -- the question is acceptance of the joint committee's favorable report and passage of the bill. Will you proceed, sir?

REP. RYAN (139th):

Yes. Before we PT'd the bill we had offered Amendment A and I'd like to withdraw that amendment.

Oh, okay. I ask the Clerk to call LCO --

REP. CAFERO (142nd):

Mr. Speaker.

SPEAKER DONOVAN:

Representative Cafero, for what reason do you rise?

REP. CAFERO (142nd):

A point of order, if you would, Mr. Speaker. I don't quite understand where we are procedurally. I didn't understand the gentleman's withdrawal or --

SPEAKER DONOVAN:

Actually, Representative, the sponsor of the bill has to call the amendment first before he can withdraw it, so it's at that moment, which he's about to do, I believe. He could not have removed -- he could not have withdrawn it without it first be called, put on the floor.

REP. CAFERO (142nd):

Oh, I see. Is that why it's on the board now or --

SPEAKER DONOVAN:

He's about to call, yes. That is correct, Representative.

REP. CAFERO (142nd):

Oh, okay. Thank you, Mr. Speaker.

SPEAKER DONOVAN:

It was -- it is on the board now because it was previously designated House Amendment Schedule A.

REP. CAFERO (142nd):

Oh, I get it. All right. Thank you, Mr. Speaker.

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SPEAKER DONOVAN:

You're welcome. Representative.

REP. RYAN (139th):

Thank you, Mr. Speaker. I'm sorry for that confusion. Mr. Speaker, the Clerk has amendment LCO 6460. I would ask the Clerk to please call the amendment and I be greeted -- leave of the chamber to summarize.

SPEAKER DONOVAN:

Will the Clerk please call LCO 6460, which was previously designated House Amendment Schedule A.

THE CLERK:

LCO Number 6460, House A, offered by
Representative Ryan et al.

SPEAKER DONOVAN:

The Representative seeks leave of the chamber to summarize. Is there any objection? Representative Ryan, you may proceed with summarization.

REP. RYAN (139th):

Yes, Mr. Speaker. Because of the questions and concerns that were brought up about this amendment, we've decided that there was some changes that needed to be made. I would ask that this amendment be withdrawn so we can offer another one.

SPEAKER DONOVAN:

The motion before us is withdrawal of House Amendment Schedule A. Is there any objection? Is there any objection? Hearing none, the amendment is withdrawn.

Representative Ryan.

REP. RYAN (139th):

Yes. Thank you, Mr. Speaker. The Clerk has amendment LCO 6746. I would ask the Clerk to please call the amendment and I be granted leave of the chamber to summarize.

SPEAKER DONOVAN:

Will the Clerk please call LCO 6746, which will be designated House Amendment Schedule B.

THE CLERK:

LCO number 6746, House B, offered by Representatives Ryan, Noujaim, et al.

SPEAKER DONOVAN:

Representative seeks leave of the chamber to summarize the amendment. Is there objection? Is there objection? Hearing none, Representative Ryan, you may proceed.

REP. RYAN (139th):

Thank you, Mr. Speaker. Obviously during the

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questioning of the first amendment, some concerns were brought up. There seemed to be some areas that needed to be clarified so that the amendment would be better understood and be better implemented. We've made those changes in this amendment and I move for adoption.

SPEAKER DONOVAN:

The question before the chamber is on adoption of House Amendment Schedule B. Will you remark on the amendment? Will you remark in the amendment? Representative Perillo.

REP. PERILLO (113th):

Mr. Speaker, thank you very much. I appreciate the efforts made by the Chair of the Labor Committee and others who are proponents of the original amendment. I appreciate the opportunity to have worked with them on that. I support the changes that are before us and I urge adoption. Thank you.

SPEAKER DONOVAN:

Thank you, Representative. Will you speak further on the amendment before us? Remark further on the amendment? If not, let me try your minds. All those in favor of the amendment, please signify by saying, aye.

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REPRESENTATIVES:

Aye.

SPEAKER DONOVAN:

All those opposed, nay.

The ayes have it. The amendment is adopted.

Remark further on the bill as amended? Remark further on the bill as amended? Is not, staff and guests come to the well of the House. Members take their seats. The machine will be open.

THE CLERK:

The House of Representatives is voting by roll call. Members to the chamber. The House is voting by roll call. Members to the chamber.

SPEAKER DONOVAN:

Have all the members voted? Have all the members voted? If all members have voted, please check the board to make sure your vote has been properly cast. If all the members have voted, the machine will be locked and the Clerk will please take a tally. Will the Clerk please announce the tally.

THE CLERK:

House Bill 5519 as amended by House B.

Total Number Voting 142

Necessary for Passage 72

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Those voting Yea	142
Those voting Nay	0
Those absent and not voting	9

SPEAKER DONOVAN:

Bill as amended is passed.

Will the Clerk please call Calendar Number 154.

THE CLERK:

On page 33, Calendar 154, substitute for House Bill Number 5664, AN ACT CONCERNING THE AWARD OF RIBBONS AND MEDALS TO VETERANS FOR SERVICE IN TIME OF WAR.

SPEAKER DONOVAN:

Representative Graziani.

REP. GRAZIANI (57th):

Thank you, Mr. Speaker. Mr. Speaker, I move for acceptance of the joint committee's favorable report and passage of the bill.

SPEAKER DONOVAN:

Question is on acceptance of the joint committee's favorable report and passage of the bill. Will you remark, sir?

REP. GRAZIANI (57th):

Yes. Members of the chambers, back in 2005 we passed the Connecticut Veteran's Wartime Service.

**JOINT
STANDING
COMMITTEE
HEARINGS**

**LABOR AND
PUBLIC EMPLOYEES
PART 4
941 - 1243**

2009

LABOR AND PUBLIC
lgg/ckd EMPLOYEES COMMITTEE 3:00 P.M.

SCOTT WOODS: Good evening, Senator Prague, Representative Ryan and other members of the Labor and Public Employees Committee. I did submit testimony about what I am going to speak to this evening.

HR 5519

I'm Chief Scott Woods of the Newington Volunteer Ambulance Corps, who provides volunteer ambulance services to the town of Newington. Our agency over the past couple years has been reducing our financial dependability and liability exposure on the town to a point that, as of today, our agency is self-sufficient with the exception of a couple volunteer incentive programs the town offers.

One of the more significant expenses was taking over the cost for Workers' Compensation insurance. The town, by contract, was providing this converge for the organization as part of their Workers' Compensation expense at a cost of, approximately, \$13,000. The organization felt that we could absorb this cost in our budget and signed an agreement to do so after receiving a quote via the assigned risk pool and rates from NCCI. That initial quote projected our costs would be similar to costs of the town. After approving our budget and agreeing with the town to move this forward, the agency providing the quote provided me information that the cost wasn't the previous amount because the payroll value for volunteer ambulance service company, \$127,300 salary estimate in 2007 -- and that's attached -- was not based upon per agency but rather based per ambulance. The new quote for the year based upon on a new payroll value about \$133,100 in 2008 was going to be \$35,697 for the premium. Agreements were already made and we moved forward but seriously questioned

why this was the case. I contacted the Department of Labor who referred me to the Insurance Commission who basically told me that I could file a petition or something similar to that but that was the way it was. So I contact the State Representative Sandy Nafis of the 27th District who was nice enough to put something forward to you folks for consideration.

So the basic question is if I'm buying Workers' Compensation coverage, why is based upon vehicles and not personnel. I still have the same number of volunteer employees whether I operate one ambulance or three ambulances but the expense to me is three times higher. Newington has a primary ambulance and a secondary ambulance for 911 service. We have a third ambulance for special events, standbys, mechanical fill-ins, and vehicle rotation to keep the miles down. All three are very rarely on the road at the same time, but it cost me another \$11,900 a year to have this other ambulances. Yet, each is very important to our agency and has nothing to do with the Workers' Compensation rates unless you need Workers' Compensation converge. As a result you are penalized for having additional equipment to serve the community even if you have a set number of employees or volunteers.

And I understand the rates are established by a guideline and until recently that guideline had us grouped within taxi cab employees and drivers for some reason. I do understand that the rate calculating system assigns a value of \$133,100 per ambulance for Workers' Compensation insurance no matter the number of volunteer employees. Even, in the NCCI reference for class 7705, ambulance service companies and EMS providers and drivers, it

say's quote, in no case should the payroll of any such volunteer be less than \$300 per year per volunteer per year. And if this was followed from my agency, the annual payroll estimate would be \$15,000 for the entire agency for the year, but the estimated premium based on last year's rate would be \$1,341 and not \$35,697. There must be something more -- some appropriate way to calculate Workers' Compensation insurance for volunteer ambulance services then basing it upon vehicles and not the volunteers or the employees.

Simple logic shows that we're comparing apples to oranges and the results is a very large impact on the volunteer services budget that is based upon insurance reimbursements, a fund drive and donations. That will potentially impacting our ability to serve our community over time. So thank you for your time and consideration of Bill 5519 and ask you to find a logical approach to to Connecticut's volunteer ambulances Workers' Compensation costs. I'd be happy to answer any questions. I also have an additional copy.

SENATOR PRAGUE: Thank you very much for waiting to testify. This really explains the situation very well. You did an excellent job on putting this together.

SCOTT WOODS: Thank you.

SENATOR PRAGUE: And bringing it to our attention.

SCOTT WOODS: I don't know how many other agencies in the State are actually in the same situation we are in, though a lot of them couple with municipalities to provide Workers' Compensation insurance because we do understand it can be expensive. And I do understand that that \$1300

number is more likely unrealistic. You know, but there must be some middle ground as opposed to my latest premium just came in and it's going to be \$40,000 a year. And we -- it's expensive to run a service through donations, and fund drives and even with insurance reimbursements my small agency costs over \$400,000 a year to run with volunteer staff.

SENATOR PRAGUE: You wonder how much the town pays -- overpays based on that kind of calculation. Leave it to the insurance companies to find ways to do things like this.

SCOTT WOODS: Actually, if there was just some simpler explanation as to whether I had three employees or whether I had 50 employees or 5,000 employees, I'm still going to pay the same amount if I had three ambulances than whether I had 5,000 employees. Again, I just don't understand.

One other comment I'd just like to make if I could for a moment. Is that EMS does support ~~Bill 6194~~. It's very difficult to find volunteer providers given the nature of emergency response and exposure to all the nasty germs that are out there these days. It's very hard to find somebody willing to do it for free. So I'm sure it will be helpful to all volunteer EMS agencies and paid EMS agencies to find staff workers to go out and care for people in their time of need if they knew they had a little bit more protection in the Workers' Comp (inaudible.)

SENATOR PRAGUE: Are there any questions from committee members?

REP. RYAN: (Inaudible.)

Newington Volunteer Ambulance Corps, Inc.

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Newington, CT 06131-0061

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"Serving Newington With Pride And Excellence"

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February 26, 2009

Committee on Labor and Public Employees
3 p.m.

Committee Bill No. 5519

An act concerning workers compensation premiums and volunteer ambulance companies.

I am Chief Scott Woods of the Newington Volunteer Ambulance Corps, Inc. who provides volunteer ambulance service to the Town of Newington. Our agency over the past couple years has been reducing our fiscal dependability and liability exposure on the Town of Newington to a point that as of today, our agency is self sufficient with the exception of a couple of volunteer incentive programs the Town offers.

One of the more significant expenses was taking over the costs for workers compensation insurance. The Town, by a contract, was providing this coverage for the organization as part of their workers compensation expense at a cost of approximately \$13,000. The organization felt that we could absorb this cost in our budget and signed agreements to do so after receiving a quote via the assigned risk pool and rates from NCCI (National Council on Compensation Insurance, Inc.). That initial quote projected our cost would be similar in cost. After approving our budget and agreeing with the Town to move this forward, the agency providing the quote provided me information that the cost wasn't the previous amount provided because the payroll value for Volunteer Ambulance Service Company (\$127,300 in 2007, attached) was not based per agency but rather based per ambulance. The new quote for the year based upon new payroll value at \$133,100 in 2008 was going to be \$35,697. Agreements were already made and we moved forward, but seriously questioned why this was the case. I contacted the Department of Labor who referred me to the Insurance Commission who basically told me I could file a petition or something like that but that was the way it was. So I contact my state Representative Sandy Nafis, 27th district.

The basic question is if I am buying workers compensation coverage, why is it based upon vehicles and not personnel? I still have the same number of volunteers/employees whether I operate 1 ambulance or 3 ambulances, but the expense to me is 3 times higher. Newington has a primary ambulance and a secondary ambulance for 911 service. We have a third ambulance for special events, standby's, mechanical fill in, and a vehicle use rotation to keep mileage down. All three are very rarely on the road at the same time but it costs me another \$11,900 to have another ambulance, yet they are each very important to our agency and has nothing to do with workers compensation rates unless you need workers compensation coverage. As a result you are penalized for having additional equipment to serve the community even though you have a set number of

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volunteers/employees. I understand the rates are set by an established guideline, that has grouped us in with taxicab employees and drivers until just recently.

I do not understand the rating/calculating system that assigns a value of \$133,100 per ambulance for workers compensation insurance no matter the number of volunteers/employees. Even in the NCCI reference for class 7705 Ambulance Service Companies and EMS Providers and Drivers it says "in no case should the payroll of any such volunteer be less than \$300 per volunteer per year" (attached). If this was followed for my agency the annual payroll estimate would be \$15,000 for the entire agency per year. The estimated premium based on last years rate would be ~~\$1,341~~ not \$35,697.

There must be a more appropriate way to calculate workers compensation insurance for volunteer ambulance services than basing it upon vehicles and not the volunteers/employees. Simple logic shows we are comparing apples to oranges and the result is a very large impact on a volunteer service's budget that is based upon insurance reimbursements, a fund drive, and donations, potentially impacting our ability to serve the community over time.

Thank you for your time and consideration of Bill No. 5519 and ask you to find a more logical approach to Connecticut's volunteer ambulance workers compensation costs.

Thank you.

Attached 1 supporting information page.

Chief Scott Woods
S.Woods@NewingtonEMS.com

NATIONAL COUNCIL ON COMPENSATION INSURANCE, INC.

B-1397
PAGE 10

ITEM B-1397—REVISIONS TO BASIC MANUAL CLASSIFICATIONS AND RULES

**EXHIBIT 1—NATIONAL CLASSIFICATIONS
BASIC MANUAL—2001 EDITION
AMBULANCE AND EMERGENCY MEDICAL SERVICES
CLASSIFICATIONS**

AMBULANCE SERVICE COMPANIES

8385 **AMBULANCE SERVICE COMPANIES—GARAGE EMPLOYEES.** Includes the garage employees of volunteer ambulance service and EMS providers.

~~73707705~~ **AMBULANCE SERVICE COMPANIES AND EMS EMERGENCY MEDICAL SERVICE PROVIDERS All Other Employees & DRIVERS.** Garage employees are separately rated in Code 8385. Ambulance service also includes those through whom emergency medical transportation of patients between medical facilities. All other noncertified nonemergency transports to be separately rated as Code 7170 or Code 7285.

Applies to volunteer ambulance or EMS personnel serving with or without payroll. Unless state statute, regulations and/or rules specify otherwise, premium for such volunteers must be determined on the basis of the payroll normally received by them under ambulance or EMS personnel doing the same or similar work; however, in no case should the payroll of any such volunteer be less than \$300 per volunteer per year.

Separately rate firefighters who also perform EMS to Code 7110 or 7111.

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TDBANKNORTHINSURANCE

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Page 2 of 2

Page Document: Connecticut | Assigned Risk-Rate Pages | 01-07 Edition

Premium Determination for Partners and Sole Proprietors In accordance with **Basic Manual Rule 2-E-3** \$56,200.00

Premium Discount Percentages—(See **Basic Manual Rule 3-A-19-a.**) The following premium discounts are applicable to Standard Premiums:

First	\$5,000	-	-
Next	95,000	a	9.5%
Next	400,000	b	11.9%
Over	500,000	c	12.4%

Now \$133,100

Payroll - to be used for Volunteer Ambulance Service Co

\$127,300.00

United States Longshore and Harbor Workers' Compensation Coverage Percentage applicable only in connection with **Basic Manual Rule 3-A-4** 25%

(Multiply a Non-F classification rate by a factor of 1.25 This factor adjusts for the difference in state and federal benefits only.)

Experience Rating Eligibility

A risk is eligible for intrastate experience rating when the payrolls or other exposures developed in the last year or last two years of the experience period produced a premium of at least \$11,000. If more than two years, an average annual premium of at least \$5,500 is required. Page A-1 of the **Experience Rating Plan Manual** should be referenced for the latest approved eligibility amounts by state.



State of Connecticut
HOUSE OF REPRESENTATIVES
 STATE CAPITOL
 HARTFORD, CONNECTICUT 06106-1591

REPRESENTATIVE SANDY H. NAFIS
 27TH ASSEMBLY DISTRICT

LEGISLATIVE OFFICE BUILDING
 ROOM 4047
 HARTFORD, CT 06106-1591
 HOME (860) 668-9287
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DEPUTY MAJORITY LEADER

MEMBER
 APPROPRIATIONS COMMITTEE
 EDUCATION COMMITTEE
 GENERAL LAW COMMITTEE
 LEGISLATIVE MANAGEMENT COMMITTEE

TESTIMONY OF
REPRESENTATIVE SANDY NAFIS, 27TH DISTRICT

**In Support of Raised House Bill 5519 - An Act Concerning Workers'
 Compensation Premiums and Volunteer Ambulance Companies.**

*Labor & Public Employees Public Employees
 February 26, 2009*

Thank you for raising Bill 5519 – An Act Concerning Workers' Compensation Premiums and Volunteer Ambulance Companies. I urge your support of this important piece of legislation.

This issue was brought to me by the Newington Volunteer Ambulance Corps in my home town last year, although the bill would affect all community volunteer ambulance companies. Currently, workers compensation premiums are assessed on each vehicle that is owned by a Volunteer Ambulance company. This often is deceptive because, as in Newington's case, only one vehicle is used and two older vehicles are kept as backup in case of mechanical problems with the first. It was suggest that rather than by vehicle, rates for Workers Compensation be assessed by hours of service provided, which they believe would be more affordable to the volunteers.

In short this bill would allow the Insurance Commissioner a method of changing worker compensation premiums which would not discriminate against or penalize any volunteer ambulance service. Again, the volunteer ambulance service would only be charged for the amount of usage oppose to the number of volunteer ambulance vehicles they own.

Many thanks again to the Committee for raising this bill and bringing it up in Public Hearing. If you have any questions, please give me a call.

Thank you for your consideration. I would be happy to answer any questions.



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THE VOICE OF LOCAL GOVERNMENT

TESTIMONY
 OF THE
 CONNECTICUT CONFERENCE OF MUNICIPALITIES
 TO THE
 LABOR AND PUBLIC EMPLOYEES COMMITTEE

February 26, 2009

CCM is Connecticut's statewide association of towns and cities and the voice of local governments - your partners in governing Connecticut. Our members represent over 93% of Connecticut's population. We appreciate this opportunity to testify before this joint committee on issues of concern to towns and cities.

Raised Bill 5519 "An Act Concerning Workers' Compensation Premiums and Volunteer Ambulance Companies"

Raised Bill 5519 would require a revision of the workers' compensation rating system for volunteer ambulance companies, making the rating be based upon ambulance usage and not the number of ambulances.

While CCM understands the intent of Raised Bill 5519 to modify the current process - **we have concerns regarding the bill's ambiguous definition of "ambulance usage."** It is essential that any effective and efficient method of computing workers' compensation premiums (i) is auditable, and (ii) uses data that is readily accessible.

CCM also has concerns about potential-fiscal impacts Raised Bill 5519 could have on local insurance rates and municipal bottom lines.

CCM urges the committee to (1) clarify the definition of "usage" to ensure that pertinent data can be collected in a timely manner, and (2) obtain a detailed fiscal analysis on the proposal -- before acting on Raised Bill 5519.



If you have any questions, please call Bob Labanara or Ron Thomas of CCM, at (203) 498-3000