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AFL-CIO Official Says Time for Mandatory Workers' Compensation in Texas

A leader of the Texas AFL-CIO has indicated that his organization will support mandatory workers' compensation when the Legislature convenes in January of 2007. According to Rick Levy, legal director for the Texas AFL-CIO, the reforms approved in 2005 clear the way for mandatory workers' compensation in Texas. His suggestion was part of comments made during the Insurance Council of Texas' Workers' Compensation Conference.

Levy's comments were consistent with similar remarks he made a week earlier while participating in a workers' compensation panel before a conference hosted by the Texas Association of Business. Representative Burt Solomons, a participant on the panel and a leader of the workers' compensation reforms passed during the 2005 session, did not comment on Levy's remarks.

According to "WorkCompCentral", a workers' compensation information website, Levy contends that legislators were reluctant to require businesses to join a system that was broken. With the reforms now in place, he believes it's time for all Texas businesses to be a part of the system that requires wage and health benefits.

Jai Sharma, Secretary of the Texas Alliance of Nonsubscribers, responded by saying, "We applaud the reforms and the improvements they will provide the system. Our members already provide comprehensive occupational injury benefits to our employees. Mandating that businesses subscribe to the state system would only increase government regulation in an area where our efforts are in many cases superior to what the state would require."

Sharma added, "When you take a close look at the companies who manage their occupational injury claims, you will see the level of commitment they have to their employees."

The 80th Texas Legislature will convene on January 9th of 2007.

Alliance Advisory Council Conducts First Meeting

Representatives of some of the state's leading business trade associations recently met to begin planning for efforts to preserve nonsubscription during the 80th legislative session. The group, formed as the Advisory Council to the Texas Alliance of Nonsubscribers', met in conjunction with the Alliance's monthly board meeting and discussed the need to increase coordination of

activities to educate the Legislature on nonsubscription.

Membership of the advisory council includes the Texas Association of Business, National Federation of Independent Businesses, Texas Hospital Association, Texas Restaurant Association, Texas Retailers Association, Texas Self-Insurance Association, and the Texas Hotel and Lodging Association. Key among the strategies discussed during the meeting was the importance of the Alliance to provide focus on any attempts to alter nonsubscription in Texas and to coordinate its legislative outreach efforts with the council members.

Ken Davis, representing the Texas Association of Businesses and a member of the advisory council stated, "We have found that our success in responding to legislative proposals is often contingent upon being prepared and having the ability to coordinate responses of those affected. We welcome the focus the Alliance will provide on nonsubscription issues."

Davis continued, "The Alliance's voice will be an important one should a threat to nonsubscription arise."

Alliance Leadership to Tout Organization at Nonsubscribers' Conference

Leaders of the Texas Alliance of Nonsubscribers will formally introduce the recently formed organization at the annual PartnerSource Nonsubscribers' Conference on October 19th and 20th in Dallas. Representatives of the organization will lead a discussion on nonsubscription in Texas, announce the launch of the organization's website, and invite other nonsubscribers to become a part of their effort to preserve nonsubscription in Texas.

Alliance co-chairs Beth Huntington, of Baylor Healthcare Systems, and Margaret Greenshield of James Avery Craftsman, Inc., will join Secretary Jai Sharma, of CHRISTUS Health, and Treasurer Doug Wohletz of the Sonic Corp. in urging other nonsubscribers to recognize the importance of protecting their choice to manage their occupational injury claims. The officers will be joined by other organization members in hosting a hospitality and information booth for nonsubscribers interested in learning about the Alliance and its mission. Non-members attending are encouraged to visit the Alliance's booth.

"We are excited to have this chance to highlight the organization's momentum. We are hopeful other nonsubscribers will recognize the importance to be organized and coordinated in explaining the benefits of nonsubscription to the legislature." said Alliance Treasurer Doug Wohletz.

Texas Alliance of Nonsubscribers to Launch Website

Nonsubscribers needing updates on legislative action, legislators seeking information about nonsubscription, and the public and media interested in learning about nonsubscribers will soon have a new internet source to reference. A mid-October launch is expected for the Texas Alliance of Nonsubscribers new website: www.nonsubscriberalliance.org. It will serve as

a resource on the Alliance as well as nonsubscription issues in Texas.

Doug Gafner, Senior Director of Risk Management of Hilton Hotels and a member of the Alliance, stated, “We hope the website will increase understanding about nonsubscription, encourage other companies to join our organization, and assist us in coordinating our legislative efforts during the session.”

An interview with Alliance Secretary Jai Sharma, Litigation Director of CHRISTUS Health.

Q-How would you summarize the response to the Alliance’s formation from Texas businesses and the Legislature?

A-We are very pleased with the response received from both the nonsubscription community and legislative leaders. Nonsubscribers understand the importance of our mission to preserve this choice and legislative leaders seem eager to learn more about the nonsubscription option, the process, and how it can benefit both employees and employers. I think it’s fair to say the response to the Alliance’s formation has exceeded our expectations and provides us a strong foundation and momentum to build upon as the session approaches.

Q-Do you really believe mandatory workers’ compensation is a possibility for Texas?

A- We hope not but anything is possible. One organization has announced it will work for mandatory compensation during the legislative session next year and we take that comment very seriously. The Alliance’s goal is to put nonsubscribers in the best possible position to respond to any attempts to eliminate or erode nonsubscription in the state. If we are to succeed in protecting this option, nonsubscribers must organize, coordinate their efforts, and educate legislators on the benefits nonsubscription provides to all involved. It is critical that nonsubscribers take this seriously. The existence of nonsubscription in Texas is not a given.

Q-What arguments would you use to defend your ability to continue opting out of the state’s workers’ compensation system?

A- We believe an important step in preserving nonsubscription involves taking the time to explain to legislators how the process works. There are some who think nonsubscription means not having an occupational injury plan, or “going bare.” It is critical that we put a face on nonsubscription that reflects the many responsible companies who have their own plans in place and the extent to which they go to take care of their employees and provide a safe workplace. When legislators hear about the benefits nonsubscription can provide to employees, employers, and our communities, we believe they will continue to provide Texas businesses the right to offer their employees the nonsubscription choice.



TEXAS
ALLIANCE
OF NONSUBSCRIBERS

The Texas Alliance of Nonsubscribers

An employer-driven, nonprofit trade association dedicated to ensuring that nonsubscription interests are better prepared, more cohesive, and strategically proactive in preserving their choice to manage occupational injury claims.

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