

Rural Area Impact Statement:

1. Effect of rule:

Employers in rural areas will be affected by the rule when they are covered employers or insurers – they will need to comply with the proposal, including the updated disability benefits application process.

2. Compliance Requirements:

All covered employers, including rural employers, will have to comply with an employer section on the disability benefits application, which must be filled out within three business days when an employee provides it. The proposal also updates the application forms for disability benefits and creates a new form that, if sent to the claimant within 18 days of receipt of a completed claim, satisfies the obligation to send a notice of denial within 45 days of receipt of a completed claim. .

3. Professional Services:

Rural employers should not need any new professional services to comply with this rule.

4. Compliance Costs:

The proposed amendments are anticipated to reduce costs overall by making the disability benefits application process clearer and easier for claimants to use and provide carriers with clearer guidelines and requirements to follow to reduce disputes over claims and make claims processing more efficient.

5. Economic and technological feasibility:

It is economically and technologically feasible for rural businesses to comply with the proposed amendments. The proposal updates the disability benefits application process,

but many of these changes align with PFL, so insurers already utilize any technology that might be required to comply with the proposal.

6. Minimizing adverse impact:

The implementation of the proposal is expected to curb confusion and the current regulations conflict with the statute in multiple places, which left outdated will lead to confusion. Additionally, the proposal aims to increase clarity and efficiency in the disability benefits process that the current regulations do not address.

7. Small business and local government participation:

The Board has solicited comments for the proposal on its website from all participants in the workers' compensation system, including rural employers.

The Board does not have a rural employer database but has sent an electronic communication describing the proposal to the insurer subscribers for Board updates on September 22, 2022.