

## **The Florida Supreme Court Continues its Assault on Florida's Worker's Compensation System**

On Thursday, June 9, the assault by the Florida Supreme Court on Florida's worker's compensation system continued. In the case of *Bradley Westphal vs. City of St. Petersburg*, the Supreme Court, in a 5-to-2 decision, concluded that the 104 week limitation on temporary total disability benefits established is unconstitutional. This unfavorable opinion comes directly on the heels of the *Castellanos vs. Next Door Company* case which determined a cap on attorney fees were unconstitutional. The *Castellanos* case resulted in a rate increase filing of 15% to your existing workers compensation fee. The effect of the *Westphal* case is not immediately determinable, but NCCI said it would revise the pending rate filing currently under review.

What does this mean for us? Rates will go up! The question is when and how much? The short answer, no one knows for sure. The rate must first be approved by the Office of Insurance Regulation (OIR), who has the power to and usually does modify the request. In the past, OIR has not applied modification to policies in-force, instead applying such increases to new and renewing policies.

FHBA is working on several fronts to combat the effects of these poorly crafted decisions. We are working with alliances of like business minded groups (AIF and the Florida Chamber) to develop solutions and educate politicians on the need to act with meaningful reforms. FHBA is co-sponsoring a series of town hall meetings. Former FHBA President and Florida Building Commission Chairman Jay Carlson represented FHBA at the first town hall meeting late last week. Stay tuned for more information on a town hall meeting close to you.

OIR will host a workshop for interested stakeholders prior to finalizing the rate increase. FHBA will be an active participant in this process. Stay tuned to FHBA communications for more information on the proposed rate increases.