

TO: The Honorable Members of the PA Senate Labor & Industry Committee

FROM: Alex Halper, VP, Government Affairs

DATE: June 26, 2023

RE: Oppose S.B. 365 – Workers' Compensation expansion

I write on behalf of the PA Chamber to raise concerns with S.B. 365, which is scheduled for Committee consideration tomorrow. This bill has the potential to significantly increase workers' compensation costs and we urge the Committee to help facilitate compromise among stakeholders.

This legislation relates to workers compensation coverage for mental healthcare. Current law has attempted to strike the right balance: focusing on mental health conditions that manifest following an injury or following an incident that occurs outside the normal scope of employment.

S.B. 365 proposes to significantly expand coverage for mental health conditions by extending to conditions that manifest following normal work conditions. Moreover, though we understand the bill is intended to focus on public law enforcement and emergency response personnel, the bill as currently drafted appears to cover a broader range of the workforce including in the private sector.

To be sure, mental health treatment under any circumstance is critically important and we understand regular health insurance for law enforcement and emergency responders covers mental healthcare. However, we do not believe S.B. 365 strikes the right balance – potential costs on municipalities and taxpayers are substantial; and unlike current practice in which treatment is covered by regular health insurance, under workers' compensation, a portion of those increased costs would flow to plaintiffs' attorneys instead of care for workers.

Unless a compromise is adopted, we urge you to oppose this bill. Please contact Alex Halper at ahalper@pachamber.org or 717-720-5471 with any questions or to discuss.