



January 28, 2025

Hon. James Creighton, Chair
House Labor Committee
LOB Room 307
Concord, NH 03301

Re: HB 299 – An Act relative to the award of attorneys' fees and costs in workers' compensation claims.

Dear Chair Creighton and Members of the House Labor, Industrial and Rehabilitative Services Committee:

The American Property Casualty Insurance Association (APCIA) is a leading national property/casualty trade association representing nearly 70% of the property/casualty market nationwide. We are writing to respectfully express our **opposition to HB 299**, which would provide for the awarding of attorneys' fees when a claimant prevails in a Department of Labor administrative hearing.

APCIA supports a healthy and competitive workers compensation insurance market which provides reasonable and necessary benefits and treatment for injured workers in a manner which speeds recovery and return to work and contains costs for employers. While workers compensation costs have been decreasing in recent years, efforts must continue to contain costs and ensure a well-functioning system which facilitates the prompt and fair processing of claims. This will ensure that injured workers receive the treatment and compensation which they deserve efficiently and without delay.

Our concern lies with the potential for increased workers' compensation costs to NH businesses as a result of this legislation. As you know, businesses continue to struggle following record-high inflation, which has led to rising costs in a variety of areas. Small businesses in particular are feeling the pain and are not as readily able to withstand these cost pressures.

This bill would increase litigiousness in the NH workers' compensation system by allowing for recovery of a claimant's attorneys' fees at the initial department hearing – raising the potential for increased costs, delays and disputes even before there has been a decision rendered. A well-functioning no-fault workers' compensation system is expected to deliver adequate indemnity

benefits and complete medical benefits to injured workers without engendering disputes that require attorney involvement. The no-fault workers' compensation system is designed so employers pay prompt indemnity benefits to injured workers and unlimited, first dollar medical care, without deductibles and co-pays, even in the absence of any fault by the employer. This system can only function when disputes and system costs are kept at a minimum.

In sum, we believe the current system in NH is working well for both employers and workers. HB 299 would unnecessarily invite greater attorney involvement in the early stages of a claim, thereby increasing disputes, delays and costs, without improving overall benefits for injured workers.

Respectfully, and for the reasons set forth above, APCIA must oppose HB 299 due to the potentially adverse impact and increased costs on businesses in the state. We would welcome the opportunity to discuss this issue further should there be questions or if additional information is needed.

Sincerely,

A handwritten signature in cursive script that reads "Alison Cooper".

Alison Cooper
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