

Code of Alabama

Section: 16-1A-1

Catchline: Short Title.

This chapter shall be known and cited as the Maryann Leonard Educators' On-The-Job Injury Act.

History: (Act 2025-223, §2.)

Section: 16-1A-2

Catchline: Definitions.

As used in this chapter, the following terms have the following meanings:

- (1) BOARD. The Public Education Employee Injury Compensation Board.
- (2) EMPLOYEE. Any individual employed full-time as provided by law by those employers enumerated in this section and adult bus drivers.
- (3) EMPLOYER. All public city and county boards of education; all public charter schools; the Board of Trustees of the Alabama Community College System; the Board of Trustees of the Alabama Institute for the Deaf and Blind; the Board of Directors of the Alabama School of Fine Arts; the Board of Trustees of the Alabama High School of Mathematics and Science; the Board of Trustees of the Alabama School of Cyber Technology and Engineering; and the Board of Trustees of the Alabama School of Healthcare Sciences.
- (4) EXECUTIVE OFFICER. The superintendent of any public county school system or any public city school system; the principal of any public charter school; the President of the Alabama Institute for the Deaf and Blind; the president of any two-year school or college under the auspices of the Board of Trustees of the Alabama Community College System; the Executive Director of the Alabama School of Fine Arts; the Executive Director of the Alabama High School of Mathematics and Science; the President of the Alabama School of Cyber Technology and Engineering; the President of the Alabama School of Healthcare Sciences; and the chief executive officer of any other employer.
- (5) FUND. The Public Education Employee Injury Compensation Trust Fund.

(6) ON-THE-JOB INJURY. Any accident or injury to an employee arising out of and in the course of employment or occurring during the performance of duties. The term does not include a mental disorder or mental injury that has neither been produced nor proximately caused by some physical injury to the body.

(7) PEEHIP. The Public Education Employees' Health Insurance Plan.

(8) PROGRAM. The Public Education Employee Injury Compensation Program.

(9) REVIEW BOARD. The Public Education Employee Injury Compensation Program Review Board, a panel composed of three persons designated by the board to hear and consider claims by employees who disagree with the determination by their employer or its agent or service company as to the employee's entitlement to compensation and medical benefits under this program and to approve settlements, including lump sum settlements, as well as settlements closing some or all benefits, when agreed to by the parties and permitted by the program. No member or employee of the board may be a member of the review board.

(10) TPA. Third-party administrator or adjuster.

History: (Act 2025-223, §2.)

Section: 16-1A-3

Catchline: Policies, Procedures, and Rights Pertaining to Employees Injured on the Job; Public Education Employee Injury Compensation Trust Fund.

(a) The following policies, procedures, and rights are established pertaining to employees who are injured while on the job:

(1) The employee shall provide written notice of the injury to an immediate supervisor or the executive officer within five working days after the injury occurred, or where the employee has died or is not clinically able to make notification, another individual who is reasonably knowledgeable may make the notification of the injury within 90 days of the date of the injury. The board may adopt rules to further provide for the notice requirements under this subdivision.

(2) The board shall adopt uniform injury reporting forms. The employer shall distribute the forms to the institutions under his or her supervision. The employer shall prepare the first report of injury form and the employee shall sign the

completed injury report form. The employer shall then forward the employee-signed form to the Public Education Employee Injury Compensation Board.

(3) Other notification procedures may be established by written policy of the employer but shall not supersede notification procedures established by the board or this chapter.

(b) There is established a separate special trust fund in the State Treasury to be known as the Public Education Employee Injury Compensation Trust Fund. All receipts collected pursuant to this chapter shall be deposited in this fund and used to carry out this chapter. Monies in the fund unspent or unencumbered at the end of each fiscal year shall not revert to any other fund in the State Treasury but shall be carried forward to the succeeding fiscal year. All monies in the fund may be invested and reinvested by the board. Any monetary interest that accrues in the fund shall be retained in the fund from year to year.

(c)(1) The program shall be governed by this chapter.

(2) Payments shall be made by PEEHIP pursuant to this chapter to physicians licensed to practice medicine or other medical providers for services to injured employees and shall be in accordance with the schedule of maximum fees as established by PEEHIP. The board, in its sole discretion, may designate and authorize a licensed physician to perform an Independent Medical Examination, or IME, of the employee to assess an injured employee's physical or mental condition; provided, that any physician designated by the board to perform an IME shall be paid for by the board and not by PEEHIP.

(3) An employee must use an authorized treating physician covered by PEEHIP. For employees who do not participate in PEEHIP, the board shall adopt rules for selecting authorized treating physicians or other medical providers and shall adopt rules for employees who dispute treatment by an authorized treating physician. The board shall reimburse such injured employees for copayments and deductibles not paid for by PEEHIP; provided, that the board shall not be required to pay such copayments or deductibles for any medical treatment or attention, physical rehabilitation, medicine, medical or surgical supplies, crutches, artificial members, or other apparatus, other than as may be reasonably necessary and otherwise owed under the Alabama Workers' Compensation Act. The board shall have the absolute discretion to select an authorized treating physician and shall not be responsible to reimburse any physician not so authorized. If the employee is dissatisfied with the initial treating physician selected by the board, and if further treatment is required, the employee may so advise the board and the employee

shall be entitled to a second physician from a panel or a list of four physicians selected by the board. The intent of this subdivision is that the board and the employee shall act in compliance with Section 25-5-77.

(4) Any rules adopted by the board to establish and operate the program shall be subject to the Alabama Administrative Procedure Act.

(d) Nothing in this chapter shall be construed to affect any benefit to which an employee is entitled under this title.

(e) Sufficient appropriations to the fund for full coverage shall be considered a mandate for local boards of education to participate in the program pursuant to Section 25-5-50(d).

History: (Act 2025-223, §2.)

Section: 16-1A-4

Catchline: Public Education Employee Injury Compensation Board.

(a) The Public Education Employee Injury Compensation Board shall be comprised of the following members:

(1) One member appointed by the Governor.

(2) One member appointed by the President Pro Tempore of the Senate.

(3) One member appointed by Speaker of the House of Representatives.

(4) One member appointed on an alternating basis by the Minority Leaders of the Senate and the House of Representatives, with the Senate Minority Leader appointing first.

(5) One member shall be the Director of the Workers' Compensation Division of the Alabama Department of Workforce.

(b)(1) The terms of the board members shall be staggered so that the initial appointees of the Speaker of the House and the Minority Leader of the Senate shall serve two years, with their successors serving a term of three years. All other appointed members shall serve an initial term of three years, and the successor shall serve a term of three years. No appointed member may serve more than two consecutive terms.

(2) A board member shall serve until his or her successor is appointed.

(3) The appointing authorities shall coordinate their appointments to assure that the membership of the board is inclusive and reflects the racial, gender, geographic, urban, rural, and economic diversity of the state. The appointing authorities shall coordinate to assure that at least one member of the board has experience and familiarity with workers' compensation.

(c) Initial appointments to the board shall be made by the appointing authority on or before July 1, 2025.

(d) Members of the board shall receive no compensation but shall be reimbursed by the fund for travel and per diem expenses at the same rate and in the same manner as state employees.

(e) The board shall have all of the following duties:

(1) To administer the programs, including, but not limited to, establishing or contracting with a TPA to oversee benefits paid to employees and coordinate with PEEHIP. A contract for services of a TPA shall be procured pursuant to Article 5 of Chapter 4 of Title 41, without regard to exemptions. The TPA, whether contracted or otherwise established, shall have no business or administrative relationship with any education association in Alabama, directly or indirectly.

(2) To manage the fund to ensure that adequate funds are maintained to provide all injury program benefits to employees.

(3) To provide reasonable compensation for hearing officers who hear any dispute arising under this chapter.

(4) To employ professional, clerical, technical, and administrative staff as the board may determine necessary to carry out its duties and compensate staff accordingly.

(5) To secure insurance, reinsurance, or other products the board deems advisable in carrying out its duties.

(6) To retain and compensate legal counsel to represent the board, employers, the fund, the program, and TPA including, but not limited to, appearing before hearing officers or judges in contested cases.

(f) Except as otherwise required by the Health Insurance Portability and Accountability Act, 42 U.S.C. § 1320d et seq., the board shall be subject to all applicable open meetings and open records laws, shall adopt rules in accordance

with the Alabama Administrative Procedure Act, and shall have a fiduciary duty to the fund and the program.

History: (Act 2025-223, §2.)

Section: 16-1A-5

Catchline: Public Education Employee Injury Compensation Program.

- (a) There is established the Public Education Employee Injury Compensation Program.
- (b)(1) Except as provided in this section, the program implemented pursuant to this section shall not be subject to Chapter 5 of Title 25, or its successor, otherwise known as the Alabama Workers' Compensation Act.
- (2) Notwithstanding subdivision (1), if an employee is subject to this chapter, then compensation, in accordance with the Alabama Workers' Compensation Act, shall be paid by the Public Education Employee Injury Compensation Trust Fund, as established under this chapter, in accordance with the statutes, provisions, defenses, and calculation methods set forth in the Alabama Workers' Compensation Act and any case law interpreting the same.
- (c)(1) For injured employees covered by PEEHIP, payments made to physicians licensed to practice medicine or other medical providers for services to injured employees shall be paid by PEEHIP in accordance with the PEEHIP fee schedule. The board shall reimburse such injured employees for copayments and deductibles not paid for by PEEHIP; provided, that the board shall not be required to pay such copayments or deductibles for any medical treatment or attention, physical rehabilitation, medicine, medical or surgical supplies, crutches, artificial members, or other apparatus, other than as may be reasonably necessary and otherwise owed under the Alabama Workers' Compensation Act.
- (2) For injured employees not covered by PEEHIP, the board shall provide payments for medical treatment for an on-the-job injury. The liability of the board for payment of services rendered by physicians, as well as any other medical services, shall not exceed the maximum fees established under Section 25-5-313. Employees shall not be liable to physicians, or for any other medical services, for any amount in excess of the schedule of maximum fees established under Section 25-5-313, and consistent with Section 25-5-314. This language shall not prohibit

the board from negotiating any rates, fees, or levels of reimbursement, which shall be mutually agreed upon between the physicians, hospitals, any other healthcare providers, and the board.

(d)(1) All undisputed medical reimbursements or payments shall be made within 25 working days of receipt of claims in the form specified in Section 25-5-3.

(2) An amount equal to 10 percent of any unpaid balance shall be added to any undisputed medical invoice which is not paid within 25 working days.

(e) Any regulation, policy, or program directive for the conduct of utilization review, bill screenings, and medical necessity determinations related to services provided by physicians licensed to practice medicine shall comply with the rules adopted by the Workers' Compensation Medical Services Board under Section 25-5-312.

(f) Any rules adopted by the board shall be subject to the Alabama Administrative Procedure Act, and a final determination as to benefits payable under the program shall be subject to review by the Circuit Court in Montgomery County in the manner prescribed by the Alabama Administrative Procedure Act.

(g) Employers shall continue to make all required health insurance contributions until any separation from employment.

(h) The board shall establish procedures for employers to be reimbursed by the fund for the costs of an employee's compensation and benefits under this chapter; except for salary and benefits provided by employers under Section 16-1-18.1.

(i) PEEHIP and the Public Education Employee Injury Compensation Trust Fund established under Section 16-1A-3, as to their respective payments, may subrogate, seek reimbursement, or seek credit for any amount paid to an injured employee under the program from any third party, or the employee's insurer, responsible for the injury. Any action to recover shall be filed in the Circuit Court of Montgomery County.

(j) Any on-the-job injuries suffered by individuals not covered by this chapter, such as part-time, substitute, temporary, non-full-time employees and volunteers, shall be conducted in accordance with the Board of Adjustment process outlined in Article 4 of Chapter 9 of Title 41.

History: (Act 2025-223, §2.)

Section: 16-1A-6

Catchline: Notice of Injury; Injury Report; Decision of Review Board or Hearing Officer; Appeals.

(a) An employer shall complete an injury report upon timely notice of an injury in accordance with this chapter. An employer who refuses to complete and submit an injury report form after timely notice of an injury by an employee pursuant to this chapter shall provide notice in writing of its findings of fact that support its decision. An employee may challenge the employer's decision pursuant to the dispute resolution provisions of this section.

(b)(1) The employer's executive officer or the board shall refer any dispute that arises under this chapter between an employee and employer or between an employee and a TPA contracted with or established under this chapter to the review board.

(2) Notwithstanding subdivision (1), if an employee, employer, or TPA requests a hearing officer, the dispute shall be referred to and adjudicated by a hearing officer appointed from the panel of neutrals maintained by the Executive Director of the Alabama State Bar Association pursuant to subdivision (3). The hearing officer shall be selected using the process provided in subdivision (3).

(3) The Alabama State Bar shall create and maintain a roster of attorneys with significant experience in workers' compensation disputes. Upon a request pursuant to subdivision (2), the Executive Director of the Alabama State Bar, on a random and rotating basis, shall select a panel of five from the roster and send the names to the parties. The parties may select a hearing officer from the panel. If the parties cannot agree, the parties shall select the hearing officer by a process of alternating strikes in which the employee shall be provided the first strike and the employer the last strike. No deference is to be provided to either party and the Alabama Rules of Evidence shall apply in hearings before the hearing officer.

(4) The decision of the hearing officer may be appealed to the Circuit Court of Montgomery County. The court shall review any decision pursuant to Section 41-22-20. Review by the court shall be limited to the record on appeal and shall not include a trial de novo. In reviewing pure findings of fact, the finding of the hearing officer shall not be reversed if that finding is supported by substantial evidence. The cost of transcript preparation shall initially be paid by the appealing party; such cost shall thereafter be taxed against the losing party in the circuit court.

(5) The statute of limitations for a dispute under this subsection is two years from the date of the injury, the date of last diagnosis for occupational disease, or the

date of the last temporary total disability payment.

(c) The decision of the review board or hearing officer shall be based on a preponderance of the evidence as contained in the record of the hearing except in cases involving injuries which have resulted from gradual deterioration or cumulative physical stress disorders, which shall be deemed compensable only upon a finding of clear and convincing proof that the injuries arose out of and in the course of the employee's employment. For the purposes of this subsection, "clear and convincing" means evidence that, when weighed against evidence in opposition, will produce in the mind of the trier of fact a firm conviction as to each essential element of the claim and a high probability as to the correctness of the conclusion. Proof by clear and convincing evidence requires a level of proof greater than a preponderance of the evidence or the substantial weight of the evidence, but less than beyond a reasonable doubt.

(d) The Alabama Rules of Civil Procedure shall govern the methods of discovery before a hearing officer, except that the following limitations to pre-hearing discovery shall apply:

(1) Two depositions for each side shall be permitted without leave of the hearing officer. No additional depositions shall be permitted except with leave of court for good cause shown, including, but not limited to, a claim by the employee for permanent total disability.

(2) Notwithstanding subdivision (1), each party may take the deposition of every other party.

(3) No more than 25 interrogatories, with each subpart to be considered a question, shall be permitted without leave of the hearing officer for good cause shown.

(4) Copies of records obtained by one party shall be furnished to the other party by digital or electronic means not less than 21 days prior to the hearing, unless the party offering the records can establish unusual circumstances justifying admission of the records.

(5) The party not offering the records of treatment by a physician or other medical provider shall have the right to depose the physician or medical provider whose records of treatment are to be offered by any other party.

(e) The review board or hearing officer may award a legal fee of up to 15 percent of the compensation awarded in a contested case. This amount is discretionary and will only be awarded if requested by legal counsel for the employee and agreed to

by the employee. The award shall be deducted from compensation otherwise payable to the employee pursuant to rules adopted by the board.

History: (Act 2025-223, §2.)

Section: 16-1A-7

Catchline: Costs and Implementation of Program; Construction and Application of Chapter.

- (a) The costs of the program, including administration costs, shall be paid from the fund. The total amount to be expended pursuant to the program shall not exceed the amount provided for in annual appropriations.
 - (b) The program shall begin accepting on-the-job injury claims on an implementation date declared and published by the board in consultation with the Board of Adjustment but not later than October 1, 2026.
 - (c) The program created by this chapter shall be the sole remedy for employees who incur an on-the-job injury on or after the implementation date established in subsection (b). The Board of Adjustment shall have sole jurisdiction over on-the-job injury claims for injuries occurring before the implementation date in subsection (b).
 - (d) Nothing in this chapter shall be construed as a waiver by the state of its sovereign immunity under the Constitution of Alabama of 2022.
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History: (Act 2025-223, §2.)