

EXECUTIVE REORGANIZATION ORDER
E.R.O. No. 1986-3

418.1 Hearings under MCL 418.315(7) transferred from department of management and budget to bureau of workers' disability compensation.

WHEREAS, section 315 of Act 195 of Public Acts of 1981, being section 418.315 of the Michigan Compiled Laws, established a program in the Department of Labor, Bureau of Workers' Disability Compensation, to constrain increases in health-related workers' compensation costs; and

WHEREAS, for the purposes of utilization of the experience and expertise in cost containment programs within the Department of Management and Budget, by authority vested in the Governor under Article V, section 2, of the Michigan Constitution of 1963, that function, as set forth in subsections (2), (3), (4), (5), (6), (7), (8), and (9) of section 315, was transferred to the Department of Management and Budget by Executive Order 1982-2; and

WHEREAS, pursuant to Act 103 of Public Acts of 1985, subsections (2), (3), (4), (5), (6), (7), (8), and (9) were amended to, among other things, formalize the nature and scope of the Department of Management and Budget's responsibility in the cost containment area but includes, under subsection 315(7), a requirement that the Department conduct hearings regarding disputes between carrier and health facility or health care provider; and

WHEREAS, under subsection 315(1); hearings are to be conducted by a hearing referee or a workers' compensation magistrate, as applicable, on issues concerning reasonable medical, surgical, and hospital services and medicines, or other attendance or treatment recognized by the laws of this State as being within the requirements of Public Act 317 of 1969, as amended, being section 418.101 et seq., of the Michigan Compiled Laws; and

WHEREAS, subsection 315(2) provides that all fees or charges for any treatment or attendance, service, devices, apparatus, or medicine under subsection 315(1), shall be subject to rules promulgated by the Department of Management and Budget; and

WHEREAS, section 841, being section 418.841 of the Michigan Compiled Laws, provides that the Bureau of Workers' Disability Compensation shall determine all questions arising under Public Act 317 of 1969, as amended and section 847, being section 418.847 of the Michigan Compiled Laws, provides the procedure for commencing such hearings before the Bureau; and

WHEREAS, it is in the public interest to eliminate duplication and to increase the State's efficiency and effectiveness of services; and

WHEREAS, Article V, section 2, of the Michigan Constitution of 1963 empowers the Governor to make changes in the organization of the Executive Branch or assignment of functions among its units which are necessary for efficient administration.

NOW, THEREFORE, I, JAMES J. BLANCHARD, Governor of the State of Michigan, pursuant to the authority vested in me by Article V, section 2, of the Constitution of the State of Michigan, do hereby order the following:

All the powers, duties, functions and responsibilities of the Department of Management and Budget to conduct hearings pursuant to subsection 7 of section 315 of Public Act 195 of 1981, as amended by Public Act 103 of 1985, are hereby transferred to the Department of Labor, Bureau of Worker's Disability Compensation.

In fulfillment of the requirements of Article V, section 2, of the Constitution of the State of Michigan, the provisions of this Executive Order shall become effective on August 10, 1986.

History: 1986, E.R.O. No. 1986-3, Eff. Aug. 10, 1986.

Administrative rules: R 418.10104 et seq. of the Michigan Administrative Code.