

# HOUSE BILL REPORT

## HB 2696

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As Reported By House Committee On:  
Commerce & Labor  
Appropriations

**Title:** An act relating to chemically related illness.

**Brief Description:** Developing procedures and criteria for chemically related illness.

**Sponsors:** Representatives Flemming, Heavey, Backlund, Veloria, Thibaudeau, Campbell, Valle, Wineberry, Holm, Roland, Johanson, Pruitt, J. Kohl, Jones, L. Johnson, King, Karahalios, Conway and Springer.

**Brief History:**

Reported by House Committee on:  
Commerce & Labor, February 1, 1994, DPS;  
Appropriations, February 5, 1994, DPS(CL-A APP).

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### HOUSE COMMITTEE ON COMMERCE & LABOR

**Majority Report:** The substitute bill be substituted therefor and the substitute bill do pass. Signed by 6 members: Representatives Heavey, Chair; G. Cole, Vice Chair; Conway; King; Springer and Veloria.

**Minority Report:** Do not pass. Signed by 3 members: Representatives Lisk, Ranking Minority Member; Chandler, Assistant Ranking Minority Member; and Horn.

**Staff:** Chris Cordes (786-7117).

**Background:** Workers may be exposed to a variety of chemicals in both workplace and nonwork settings. Many exposures lead to well-defined and accepted diagnoses, such as contact dermatitis. However, among researchers and the medical community there is disagreement about the effects of other exposures.

To provide guidance for the management of industrial insurance claims that include exposure to chemicals, the Department of Labor and Industries developed an interim plan in conjunction with several state agencies. In addition, the department has begun a review of complex chemically related illness claims and has created a special claims unit for these cases.

**Summary of Substitute Bill:** By July 1, 1994, the Department of Labor and Industries must establish interim criteria and procedures to ensure consistent and fair adjudication of claims involving chemically related illness. The final criteria and procedures must be adopted by December 31, 1994. The department must assign claims managers with special training or expertise to manage claims that are determined to require expert management.

An advisory committee is established to consult with and advise agencies on issues related to chemically related illness. The two lead agencies are the Department of Labor and Industries and the Department of Health. Members of the advisory committee include three persons representing workers with chemically related illness and one representative of each of the following: the Department of Labor and Industries, the Department of Health, the State Board of Health, the State Health Care Authority, the Department of Social and Health Services, the Office of the Insurance Commissioner, the Department of Ecology, the Department of Agriculture, the Employment Security Department, each caucus of the Senate and House of Representatives, the governor's office, physicians and osteopathic physicians, state fund and self-insured employers and workers of state fund and self-insured employers. The committee will review, among other issues, the development of the criteria and procedures for adjudicating claims, the responsibilities of the agencies and the coordination between chemically related occupational disease and public health issues.

The Department of Labor and Industries is directed to establish one or more centers for research and clinical assessment of chemically related illness. The department is also directed to conduct research on chemically related illness. The Workers' Compensation Advisory Committee and a scientific advisory committee will provide oversight of the research projects that are funded. A regional research project is encouraged. The research will be funded with appropriations from the medical aid fund, with the state fund and self-insured employers paying a pro rata share based on worker hours.

In consultation with the Workers' Compensation Advisory Committee, the Department of Labor and Industries and the Department of Health must make a joint interim report by December 31, 1994, and a final report by June 30, 1995, to the Governor and Legislature on the status of the criteria and procedures for management of chemically related illness claims, research projects, other initiatives related to chemically related illness and any recommendations for legislation. Included in the report will be a plan to include occupational information in the automated health data bases

and a plan to make occupational diseases reportable conditions.

**Substitute Bill Compared to Original Bill:** The substitute bill makes the following changes to the original bill: (1) members are added to the advisory committee to include representatives of the State Board of Health, the State Health Care Authority, the Office of the Insurance Commissioner, the Department of Ecology and the Department of Agriculture; (2) representation of business and labor on the advisory committee is modified to include one representative each of self-insured employers, state fund employers, workers of self-insured employers and workers of state fund employers; (3) the Workers' Compensation Advisory Committee is added as an entity that will review proposals for research projects and consult with the agencies on the reports to the Governor and the Legislature; (4) additional issues that must be included in the report to the Governor and the Legislature include a plan by the Department of Health for including occupational information in automated health data bases and a plan by the State Board of Health to make occupational diseases reportable conditions; (5) the due date for the final report is changed from December 31, 1994 to June 30, 1995, with an interim report on December 31, 1994; (6) research projects will be funded from the medical aid fund, rather than from both the medical aid fund and the accident fund (contributions from self-insured employers will be calculated as a pro rata share based on the number of worker hours); and (7) the requirement is deleted that the Department of Labor and Industries will work with the University of Washington to establish clinical assessment and research centers.

**Fiscal Note:** Available.

**Effective Date of Substitute Bill:** Ninety days after adjournment of session in which bill is passed.

**Testimony For:** This bill is the product of a long process in which many ideas were considered to find a solution that would benefit everyone. It has become clear that better information is needed for medical assessment of the health effects of chemical exposure. The bill will provide resources for research, both basic science and site-specific evaluation, and expert claims management with diagnostic evaluation centers. The advisory committee needs to become a balanced forum for reaching solutions that assist everyone. The research should include advice from physicians who have already been involved in this issue. The Legislature should continue to exercise control over future directions. It would be helpful if policy was set at the state level that preempted actions by local jurisdictions in dealing with chemically related health issues.

**Testimony Against:** The Department of Labor and Industries has already taken many of the steps outlined in the bill. However, the bill raises concerns because the parties with the most at stake in this issue are a minority on the advisory committee. A plan to provide research and other solutions should be developed first before the Legislature is asked to fund it.

**Witnesses:** (In favor) Representative Stan Flemming, prime sponsor; Theresa Whitmarsh, Department of Labor and Industries; Buck Cameron, International Union of Aerospace Workers; and Cliff Webster and Ken Martin, Washington State Medical Association. (Support with concerns) Karen McDonnell and Laurel Ballou, multiple-chemical sensitivity community; and Bill Fritz, Reynolds Metal Company. (Opposed) Steve Harrington, Washington Self-Insurers Association; and Clif Finch, Association of Washington Business.

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#### HOUSE COMMITTEE ON APPROPRIATIONS

**Majority Report:** The substitute bill by Committee on Commerce & Labor be substituted therefor and the substitute bill as amended by Committee on Appropriations do pass. Signed by 24 members: Representatives Sommers, Chair; Valle, Vice Chair; Silver, Ranking Minority Member; Carlson, Assistant Ranking Minority Member; Appelwick; Ballasiotes; Basich; Cooke; Dorn; Dunshee; G. Fisher; Foreman; Jacobsen; Lemmon; Linville; H. Myers; Peery; Rust; Sehlin; Sheahan; Talcott; Wang; Wineberry and Wolfe.

**Minority Report:** Do not pass. Signed by 1 member: Representative Stevens.

**Staff:** Chris Cordes (786-7117).

**Summary of Recommendation of Committee on Appropriations Compared to Recommendation of Committee on Commerce & Labor:** The amended bill provides a termination date of June 30, 1995 for the advisory committee on issues relating to chemically related illness.

**Fiscal Note:** Available.

**Effective Date:** Ninety days after adjournment of session in which bill is passed.

**Testimony For:** It is important to establish a consistent method of adjudicating injured worker claims that allege chemically related illness. Research is needed as there is concern about mistreatment and misdiagnosis of these claims. It will be important for the Department of Labor and

Industries to have a few claims staff who are focused on this project.

**Testimony Against:** The research to be conducted should be identified before money is appropriated. The composition of the advisory committee is a concern.

**Witnesses:** Representative Stan Flemming, prime sponsor (in favor); and Duncan Wurm, Association of Washington Business (opposed).