

SENATE BILL REPORT

EHB 1242

AS REPORTED BY COMMITTEE ON LABOR & COMMERCE, FEBRUARY 25, 1994

Brief Description: Allowing compensation for injured workers during industrial insurance appeals.

SPONSORS: Representatives King, Heavey, G. Cole, Jones, Springer and Veloria

HOUSE COMMITTEE ON COMMERCE & LABOR

SENATE COMMITTEE ON LABOR & COMMERCE

Majority Report: Do pass.

Signed by Senators Moore, Chairman; Prentice, Vice Chairman; Fraser, McAuliffe, Pelz, Sutherland, Vognild and Wojahn.

Staff: David Cheal (786-7576)

Hearing Dates: February 21, 1994; February 25, 1994

BACKGROUND:

Under written departmental policy, the Department of Labor and Industries does not pay benefits to an injured worker while the employer's appeal is pending at the Board of Industrial Insurance Appeals. However, this policy permits the payment of benefits if the issue under appeal does not involve the payment of benefits or the allowance or reopening of the claim, or if the employer's appeal is unfounded. The department's policy states that it is intended to avoid unnecessary department recoupment costs when an appeal is resolved in favor of the employer. If the department pays benefits, all parties to the appeal are notified and the benefits are subject to recoupment.

SUMMARY:

If an employer appeals a Department of Labor and Industries' industrial insurance order that grants the injured worker temporary total disability benefits or medical aid benefits, the worker is entitled to provisional benefits while the case is on appeal before the Board of Industrial Insurance Appeals.

Technical changes are also made to clarify and reorganize the statute.

Appropriation: none

Revenue: none

Fiscal Note: available

TESTIMONY FOR:

It is unfair to deprive a worker of benefits when their claim has been allowed just because the employer appeals. An appeal can take up to two years to resolve, causing medical and financial disaster for the injured worker.

TESTIMONY AGAINST:

When an employer eventually prevails in an appeal, it is very difficult to recover overpayments made to workers. In cases of hardship, industrial appeal judges will allow provisional benefits.

TESTIFIED: Clif Finch, AWB (con); Robby Stern, WA State Labor Council (pro); Melanie Stewart, WA Self Insurers Assn.; Betty Clark, injured worker (pro)