

2 SB 5571 - H COMM AMD
3 By Committee on Commerce & Labor

4 ADOPTED AS AMENDED 4/17/97

5 Strike everything after the enacting clause and insert the
6 following:

7 "NEW SECTION. Sec. 1. (1) The legislature finds that failure to
8 report and underreporting of industrial insurance premiums and
9 unemployment insurance contributions creates, among other problems, a
10 serious economic disadvantage for those employers who comply with the
11 law. Based on the recommendations of a legislative task force that
12 reviewed these issues, the legislature finds that some employers who
13 comply with one of these laws, but fail to comply with the other, may
14 be more likely to comply with both laws if employers were required to
15 file their reports on a unified form. In addition, the agencies may be
16 better able to coordinate efforts to enforce the reporting requirements
17 if reporting information is provided to both agencies.

18 (2) By January 1, 1998, the department of labor and industries and
19 the employment security department shall jointly develop a plan, and
20 report the plan to the appropriate committees of the legislature, for
21 implementing a unified form for reporting industrial insurance premiums
22 under Title 51 RCW and unemployment insurance contributions under Title
23 50 RCW beginning with reports due in calendar year 1999. The
24 implementation plan must address at least the following:

25 (a) The use of separate pages or separate sections on the form for
26 each agency's report. The agencies may review but are not required to
27 change coverage or reporting requirements in developing a unified form;

28 (b) Procedures for employers to mail or electronically transmit the
29 report to a central location with distribution to the agencies or other
30 distribution alternative that provides the agencies with notice of the
31 employers' filings; and

32 (c) Methods to permit employers to make payment to both agencies in
33 a single payment.

34 (3) By January 1, 1998, the department of labor and industries and
35 the employment security department shall report to the appropriate
36 committees of the legislature the results of a study that cross-matches

1 the names or the unified business identifier numbers, or both, of
2 employers who file reports under Title 50 RCW or Title 51 RCW, or both.
3 At a minimum, the report must include the number of employers who file
4 a report under only one title and the results of the agency's
5 investigating the failure to file a report under both titles.

6 **Sec. 2.** RCW 51.04.030 and 1994 c 164 s 25 are each amended to read
7 as follows:

8 (1) The director shall supervise the providing of prompt and
9 efficient care and treatment, including care provided by physician
10 assistants governed by the provisions of chapters 18.57A and 18.71A
11 RCW, acting under a supervising physician, and including chiropractic
12 care, to workers injured during the course of their employment at the
13 least cost consistent with promptness and efficiency, without
14 discrimination or favoritism, and with as great uniformity as the
15 various and diverse surrounding circumstances and locations of
16 industries will permit and to that end shall, from time to time,
17 establish and adopt and supervise the administration of printed forms,
18 rules, regulations, and practices for the furnishing of such care and
19 treatment: PROVIDED, That, the department may recommend to an injured
20 worker particular health care services and providers where specialized
21 treatment is indicated or where cost effective payment levels or rates
22 are obtained by the department: AND PROVIDED FURTHER, That the
23 department may enter into contracts for goods and services including,
24 but not limited to, durable medical equipment so long as state-wide
25 access to quality service is maintained for injured workers.

26 (2) The director shall, in consultation with interested persons,
27 establish and, in his or her discretion, periodically change as may be
28 necessary, and make available a fee schedule of the maximum charges to
29 be made by any physician, surgeon, chiropractor, hospital, druggist,
30 physicians' assistants as defined in chapters 18.57A and 18.71A RCW,
31 acting under a supervising physician or other agency or person
32 rendering services to injured workers. The department shall coordinate
33 with other state purchasers of health care services to establish as
34 much consistency and uniformity in billing and coding practices as
35 possible, taking into account the unique requirements and differences
36 between programs. No service covered under this title, including
37 services provided to injured workers, whether aliens or other injured
38 workers, who are not residing in the United States at the time of

1 receiving the services, shall be charged or paid at a rate or rates
2 exceeding those specified in such fee schedule, and no contract
3 providing for greater fees shall be valid as to the excess. The
4 establishment of such a schedule, exclusive of conversion factors, does
5 not constitute "agency action" as used in RCW 34.05.010(3), nor does
6 such a fee schedule constitute a "rule" as used in RCW 34.05.010(15).

7 (3) The director or self-insurer, as the case may be, shall make a
8 record of the commencement of every disability and the termination
9 thereof and, when bills are rendered for the care and treatment of
10 injured workers, shall approve and pay those which conform to the
11 adopted rules, regulations, established fee schedules, and practices of
12 the director and may reject any bill or item thereof incurred in
13 violation of the principles laid down in this section or the rules,
14 regulations, or the established fee schedules and rules and regulations
15 adopted under it.

16 **Sec. 3.** RCW 51.32.110 and 1993 c 375 s 1 are each amended to read
17 as follows:

18 (1) Any worker entitled to receive any benefits or claiming such
19 under this title shall, if requested by the department or self-insurer,
20 submit himself or herself for medical examination, at a time and from
21 time to time, at a place reasonably convenient for the worker and as
22 may be provided by the rules of the department. An injured worker,
23 whether an alien or other injured worker, who is not residing in the
24 United States at the time that a medical examination is requested may
25 be required to submit to an examination at any location in the United
26 States determined by the department or self-insurer.

27 (2) If the worker refuses to submit to medical examination, or
28 obstructs the same, or, if any injured worker shall persist in
29 unsanitary or injurious practices which tend to imperil or retard his
30 or her recovery, or shall refuse to submit to such medical or surgical
31 treatment as is reasonably essential to his or her recovery or refuse
32 or obstruct evaluation or examination for the purpose of vocational
33 rehabilitation or does not cooperate in reasonable efforts at such
34 rehabilitation, the department or the self-insurer upon approval by the
35 department, with notice to the worker may suspend any further action on
36 any claim of such worker so long as such refusal, obstruction,
37 noncooperation, or practice continues and reduce, suspend, or deny any
38 compensation for such period: PROVIDED, That the department or the

1 self-insurer shall not suspend any further action on any claim of a
2 worker or reduce, suspend, or deny any compensation if a worker has
3 good cause for refusing to submit to or to obstruct any examination,
4 evaluation, treatment or practice requested by the department or
5 required under this section.

6 (3) If the worker necessarily incurs traveling expenses in
7 attending the examination pursuant to the request of the department,
8 such traveling expenses shall be repaid to him or her out of the
9 accident fund upon proper voucher and audit or shall be repaid by the
10 self-insurer, as the case may be.

11 (4)(a) If the medical examination required by this section causes
12 the worker to be absent from his or her work without pay:

13 (i) In the case of a worker insured by the department, the worker
14 shall be paid compensation out of the accident fund in an amount equal
15 to his or her usual wages for the time lost from work while attending
16 the medical examination; or

17 (ii) In the case of a worker of a self-insurer, the self-insurer
18 shall pay the worker an amount equal to his or her usual wages for the
19 time lost from work while attending the medical examination.

20 (b) This subsection (4) shall apply prospectively to all claims
21 regardless of the date of injury.

22 **Sec. 4.** RCW 50.29.070 and 1990 c 245 s 8 are each amended to read
23 as follows:

24 (1) Within a reasonable time after the computation date each
25 employer shall be notified of the employer's rate of contribution as
26 determined for the succeeding rate year and factors used in the
27 calculation. The commissioner shall include on the notice sent to each
28 employer in 1997 and 1998 the following information for the rate year
29 immediately preceding the computation date:

30 (a) The taxable wages reported by the employer;

31 (b) The employer's contribution rate;

32 (c) The contributions paid by the employer;

33 (d)(i) The benefits charged to the employer's experience rating
34 account; and

35 (ii) The benefits not charged to the employer's experience rating
36 account under RCW 50.29.020(2)(e); and

37 (e) The dollar amount that represents the difference between (c)
38 and (d) of this subsection, to be termed "share of employer's

1 contribution that is socialized cost." The notice must include an
2 explanation in plain language of socialized cost and the relationship
3 of the employer's contribution to the support of socialized cost.

4 (2) Any employer dissatisfied with the benefit charges made to the
5 employer's account for the twelve-month period immediately preceding
6 the computation date or with his or her determined rate may file a
7 request for review and redetermination with the commissioner within
8 thirty days of the mailing of the notice to the employer, showing the
9 reason for such request. Should such request for review and
10 redetermination be denied, the employer may, within thirty days of the
11 mailing of such notice of denial, file with the appeal tribunal a
12 petition for hearing which shall be heard in the same manner as a
13 petition for denial of refund. The appellate procedure prescribed by
14 this title for further appeal shall apply to all denials of review and
15 redetermination under this section.

16 **Sec. 5.** RCW 51.32.140 and 1971 ex.s. c 289 s 45 are each amended
17 to read as follows:

18 Except as otherwise provided by treaty or this title, whenever
19 compensation is payable to a beneficiary who is an alien not residing
20 in the United States, (~~there shall be paid fifty percent of~~) the
21 department or self-insurer, as the case may be, shall pay the
22 compensation ((herein otherwise provided)) to ((such)) which a resident
23 beneficiary is entitled under this title. But if a nonresident alien
24 beneficiary is a citizen of a government having a compensation law
25 which excludes citizens of the United States, either resident or
26 nonresident, from partaking of the benefit of such law in as favorable
27 a degree as herein extended to nonresident aliens, he or she shall
28 receive no compensation. No payment shall be made to any beneficiary
29 residing in any country with which the United States does not maintain
30 diplomatic relations when such payment is due.

31 **Sec. 6.** RCW 51.08.050 and 1977 ex.s. c 350 s 11 are each amended
32 to read as follows:

33 "Dependent" means any of the following named relatives of a worker
34 whose death results from any injury and who leaves surviving no widow,
35 widower, or child, viz: father, mother, grandfather, grandmother,
36 stepfather, stepmother, grandson, granddaughter, brother, sister, half-
37 sister, half-brother, niece, nephew, who at the time of the accident

1 are actually and necessarily dependent in whole or in part for their
2 support upon the earnings of the worker(~~(:—PROVIDED, That unless~~
3 ~~otherwise provided by treaty, aliens other than father or mother, not~~
4 ~~residing within the United States at the time of the accident, are not~~
5 ~~included))."~~

6 Correct the title.

7 EFFECT: The amendment:

8 (1) deletes the requirement for employers to begin reporting
9 industrial insurance premiums and unemployment insurance contributions
10 on a unified form beginning January 1998. The amendment requires the
11 Department of Labor and Industries and the Employment Security
12 Department to develop, and report to the legislature by January 1,
13 1998, a plan for reporting on a unified report. The agencies must also
14 report the results of a study that cross-matches the names or UBI
15 numbers, or both, of employers who file reports under only one law; and
16 (2) adds that, under the industrial insurance law, an alien
17 beneficiary will receive the same benefits as other beneficiaries
18 whether or not residing in the U.S. (unless a treaty provides otherwise
19 or the U.S. does not maintain diplomatic relations with the country of
20 residence). For determining who is a beneficiary, the amendment
21 changes the definition of "dependent" to delete the exclusion of
22 specified relatives who are alien dependents not residing in the U.S.

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