

HOUSE BILL ANALYSIS

HB 2822

Brief Description: Exempting agency medical coverage decisions by labor and industries from rule making provisions.

Sponsors: McMorris; by request of Department of Labor & Industries.

Hearing: January 28, 1998

BACKGROUND:

An injured worker entitled to compensation under the industrial insurance law must receive "proper and necessary" medical services during his or her period of disability, subject to certain limitations. The Department of Labor and Industries is responsible for supervising the "prompt and efficient" delivery of care and treatment provided to injured workers. The department is directed by statute to adopt rules and practices governing these services.

The state Administrative Procedure Act (APA) details procedures that state agencies must follow when adopting rules. Generally, a rule— is any agency order or directive of general applicability that subjects a person to a sanction if violated, or establishes or changes a procedure or qualification relating to, among other things, benefits or privileges conferred by law. Before adopting a rule, an agency must follow specified procedures, including publishing notice in the state register and holding a hearing. For some types of rules, agencies must solicit comments and otherwise involve interested parties before publishing notice of a proposed rule. Rules not adopted in accordance with the prescribed procedures are invalid.

The APA also regulates agency interpretive and policy statements. Interpretive statements provide a written opinion of the agency on a statute, court decision, or agency order, while policy statements describe the current approach of the agency with regard to implementation of a statute, court decision, or agency rule. Under the APA, interpretive and policy statements are advisory only.

SUMMARY OF BILL:

Medical coverage decisions made by the Department of Labor and Industries under the industrial insurance law are not "rules" for the purposes of the state Administrative Procedures Act (APA) and are not subject to the APA's rule-making requirements. However, the criteria for establishing medical coverage decisions must be adopted by rule.

FISCAL NOTE: Not requested.

EFFECTIVE DATE: Ninety days after adjournment of a session in which bill is passed.