2 **ESB 5631** - H COMM AMD

3 By Committee on Commerce & Labor

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section.

- 5 Strike everything after the enacting clause and insert the 6 following:
- 7 "Sec. 1. RCW 51.32.095 and 1996 c 151 s 1 and 1996 c 59 s 1 are 8 each reenacted and amended to read as follows:
- 9 (1) One of the primary purposes of this title is to enable the 10 injured worker to become employable at gainful employment. end, the department or self-insurers shall utilize the services of 11 12 individuals and organizations, public or private, whose experience, 13 training, and interests in vocational rehabilitation and retraining qualify them to lend expert assistance to the supervisor of industrial 14 15 insurance in such programs of vocational rehabilitation as may be reasonable to make the worker employable consistent with his or her 16 physical and mental status. Where, after evaluation and recommendation 17 by such individuals or organizations and prior to final evaluation of 18 19 the worker's permanent disability and in the sole opinion of the 20 supervisor or supervisor's designee, whether or not medical treatment has been concluded, vocational rehabilitation is both necessary and 21

27 (2) When in the sole discretion of the supervisor or the 28 supervisor's designee vocational rehabilitation is both necessary and 29 likely to make the worker employable at gainful employment, then the 30 following order of priorities shall be used:

likely to enable the injured worker to become employable at gainful

employment, the supervisor or supervisor's designee may, in his or her

sole discretion, pay or, if the employer is a self-insurer, direct the

self-insurer to pay the cost as provided in subsection (3) of this

- 31 (a) Return to the previous job with the same employer;
- 32 (b) Modification of the previous job with the same employer 33 including transitional return to work;
- 34 (c) A new job with the same employer in keeping with any 35 limitations or restrictions;

- 1 (d) Modification of a new job with the same employer including 2 transitional return to work;
 - (e) Modification of the previous job with a new employer;
- 4 (f) A new job with a new employer or self-employment based upon transferable skills;
 - (g) Modification of a new job with a new employer;
- 7 (h) A new job with a new employer or self-employment involving on-8 the-job training;
 - (i) Short-term retraining and job placement.

- (3)(a) Except as provided in (b) of this subsection, costs for vocational rehabilitation benefits allowed by the supervisor or supervisor's designee under subsection (1) of this section may include the cost of books, tuition, fees, supplies, equipment, transportation, child or dependent care, and other necessary expenses for any such worker in an amount not to exceed three thousand dollars in any fifty-two week period except as authorized by RCW 51.60.060, and the cost of continuing the temporary total disability compensation under RCW 51.32.090 while the worker is actively and successfully undergoing a formal program of vocational rehabilitation. ((Such))
 - (b) Beginning with vocational rehabilitation plans approved on or after the effective date of this section, costs for vocational rehabilitation benefits allowed by the supervisor or supervisor's designee under subsection (1) of this section may include the cost of books, tuition, fees, supplies, equipment, child or dependent care, and other necessary expenses for any such worker in an amount not to exceed four thousand dollars in any fifty-two week period except as authorized by RCW 51.60.060, and the cost of transportation and continuing the temporary total disability compensation under RCW 51.32.090 while the worker is actively and successfully undergoing a formal program of vocational rehabilitation.
 - (c) The expenses allowed under (a) or (b) of this subsection may include training fees for on-the-job training and the cost of furnishing tools and other equipment necessary for self-employment or reemployment((: PROVIDED, That such)). However, compensation or payment of retraining with job placement expenses under (a) or (b) of this subsection may not be authorized for a period of more than fifty-two weeks((: PROVIDED FURTHER)), except that such period may, in the sole discretion of the supervisor after his or her review, be extended

- 1 for an additional fifty-two weeks or portion thereof by written order 2 of the supervisor.
- (d) In cases where the worker is required to reside away from his or her customary residence, the reasonable cost of board and lodging shall also be paid. ((Said))
- 6 <u>(e) Costs paid under this subsection</u> shall be chargeable to the 7 employer's cost experience or shall be paid by the self-insurer as the 8 case may be.
- 9 (4) In addition to the vocational rehabilitation expenditures provided for under subsection (3) of this section, an additional five 10 thousand dollars may, upon authorization of the supervisor or the 11 supervisor's designee, be expended for: (a) Accommodations for an 12 13 injured worker that are medically necessary for the worker to participate in an approved retraining plan; and (b) accommodations 14 15 necessary to perform the essential functions of an occupation in which 16 an injured worker is seeking employment, consistent with the retraining plan or the recommendations of a vocational evaluation. 17 worker's attending physician must verify the necessity of the 18 19 modifications or accommodations. The total expenditures authorized in this subsection and the expenditures authorized under RCW 51.32.250 20 shall not exceed five thousand dollars. 21
- (5) The department shall establish criteria to monitor the quality and effectiveness of rehabilitation services provided by the individuals and organizations used under subsection (1) of this section. The state fund shall make referrals for vocational rehabilitation services based on these performance criteria.
- 27 (6) The department shall engage in, where feasible and cost-28 effective, a cooperative program with the state employment security 29 department to provide job placement services under this section.
- 30 (7) The benefits in this section shall be provided for the injured workers of self-insured employers. Self-insurers shall report both 31 benefits provided and benefits denied under this section in the manner 32 prescribed by the department by rule adopted under chapter 34.05 RCW. 33 34 The director may, in his or her sole discretion and upon his or her own 35 initiative or at any time that a dispute arises under this section, promptly make such inquiries as circumstances require and take such 36 37 other action as he or she considers will properly determine the matter and protect the rights of the parties. 38

- 1 (8) Except as otherwise provided in this section, the benefits 2 provided for in this section are available to any otherwise eligible 3 worker regardless of the date of industrial injury. However, claims 4 shall not be reopened solely for vocational rehabilitation purposes.
- NEW SECTION. Sec. 2. The department of labor and industries shall 5 conduct a cost-benefit analysis of the benefit increase authorized in 6 7 RCW 51.32.095(3)(b). The analysis must include an examination of utilization of the benefit increase, including the number of claims in 8 9 which vocational rehabilitation benefits are used more than once, and vocational results, including return-to-work and long-term wage 10 replacement outcomes. The department shall report the results of the 11 12 analysis to the workers' compensation advisory committee and the appropriate committees of the legislature by November 1, 2001. 13
- NEW SECTION. Sec. 3. Section 1 of this act is necessary for the immediate preservation of the public peace, health, or safety, or support of the state government and its existing public institutions, and takes effect July 1, 1999."
- 18 Correct the title.

<u>EFFECT:</u> Limits application of the increased benefit cap to claims that have vocational rehabilitation plans approved on or after July 1, 1999, and requires a cost-benefit analysis of the increased cap.

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