

FINAL BILL REPORT

SSB 5676

C 190 L 07
Synopsis as Enacted

Brief Description: Revising provision for receipt of temporary total disability.

Sponsors: Senate Committee on Labor, Commerce, Research & Development (originally sponsored by Senators Keiser, Kohl-Welles, Murray, Prentice, Hatfield and Kline).

Senate Committee on Labor, Commerce, Research & Development
House Committee on Commerce & Labor

Background: Loss of Earning Power: The Industrial Insurance Act allows an employer to provide a light or modified job to an injured worker while the worker is recovering from his or her injury. The light duty job must be approved by the worker's physician. If the worker returns to a job paying less than 95 percent of the worker's earning power, the worker is entitled to partial benefits paid in proportion to the worker's loss of earning power.

The loss of earning power calculation is different in situations when a claim has been closed and then reopened. If a claim is reopened, the worker is not entitled to loss of earning power benefits in the reopening unless the worker shows that he or she has suffered a decrease in earning power proximately resulting from the injury's aggravation. If the worker is entitled to loss of earning power in a reopening, loss of earning power benefits are determined by comparing the worker's current earning power to the worker's earning power at the time the claim was last closed.

Kept-on-Salary: If a worker suffers a temporary total disability, an employer may choose to continue paying the worker wages that he or she was earning at the time of injury. In these situations, the worker is not entitled to temporary total disability benefits (time-loss benefits) during the period in which the employer continues to pay wages.

Summary: The prior closure of the claim or the receipt of permanent partial disability benefits does not affect the rate at which loss of earning power benefits are calculated upon reopening the claim. If an employer continues to pay a worker, during a period of temporary total disability, wages that the worker was earning at the time of injury, holiday pay, vacation pay, sick leave, or other similar benefits, are not considered payments by the employer.

Votes on Final Passage:

Senate	31	15
House	69	29

Effective: July 22, 2007