
HOUSE BILL 1878

State of Washington

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By Representatives Ormsby, Kenney, Fitzgibbon, McCoy, Kirby, Reykdal, Green, Miloscia, Dunshee, Billig, Lias, and Moeller

Read first time 02/08/11. Referred to Committee on Labor & Workforce Development.

1 AN ACT Relating to imposing penalties for violations by certain
2 self-insurers, third-party administrators, and claims management
3 entities; amending RCW 51.32.200; and adding new sections to chapter
4 51.08 RCW.

5 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:

6 NEW SECTION. **Sec. 1.** A new section is added to chapter 51.08 RCW
7 to read as follows:

8 "Third-party administrator" means any entity that contracts to
9 administer workers' compensation claims for self-insured employers
10 qualified under RCW 51.14.020 and certified pursuant to RCW 51.14.030.

11 NEW SECTION. **Sec. 2.** A new section is added to chapter 51.08 RCW
12 to read as follows:

13 "Claims management entity" means any individual designated by a
14 self-insured employer qualified under RCW 51.14.020 and certified
15 pursuant to RCW 51.14.030 to administer workers' compensation claims
16 including self-administered organizations and third-party
17 administrators.

1 **Sec. 3.** RCW 51.32.200 and 1971 ex.s. c 289 s 48 are each amended
2 to read as follows:

3 (1) If a self-insurer as defined in RCW 51.08.173 or a third-party
4 administrator or claims management entity as defined by chapter 51.08
5 RCW fails, refuses, or neglects to comply with a compensation order
6 which has become final and is not subject to review or appeal or
7 refuses to timely provide or pay for treatment or vocational services,
8 the director or any person entitled to compensation under the order may
9 institute proceedings for injunctive or other appropriate relief for
10 enforcement of the order and the worker or a representative of the
11 worker may file suit against the self-insured employer, third-party
12 administrator, or claims management entity. These proceedings may be
13 instituted in the superior court for the county in which the claimant
14 resides, or, if the claimant is not then a resident of this state, in
15 the Thurston county superior court (~~(for the county in which the self-~~
16 ~~insurer may be served with process)).~~

17 (2) The superior court shall enforce obedience to the order by
18 proper means, enjoining compliance upon the person obligated to comply
19 with the compensation order. The court may issue such writs and
20 processes as are necessary to carry out its orders. Additionally, the
21 court may, after finding that a self-insurer, third-party
22 administrator, or claims management entity has failed, refused, or
23 neglected to pay compensation and benefits or timely provide or pay for
24 treatment or vocational services due the entitled party, increase the
25 unpaid compensation and benefits to an amount not to exceed three times
26 the amount of unpaid compensation and benefits due the worker and award
27 reasonable attorneys' fees as well as actual and statutory litigation
28 costs.

29 (3) A proceeding under this section does not preclude other methods
30 of enforcement provided for in this title or available under chapter
31 51.48 RCW.

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