HOUSE BILL 1739

State of Washington 65th Legislature 2017 Regular Session

By Representatives Gregerson, Goodman, Peterson, Orwall, Kilduff, Harris, Ryu, Ortiz-Self, Lovick, Sells, Stonier, Clibborn, Dolan, Sawyer, Stanford, and Jinkins

Read first time 01/27/17. Referred to Committee on Public Safety.

- 1 AN ACT Relating to the crime victims' compensation program;
- 2 amending RCW 7.68.020, 7.68.030, and 7.68.070; and reenacting and
- 3 amending RCW 7.68.080.
- 4 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:
- 5 **Sec. 1.** RCW 7.68.020 and 2011 c 346 s 101 are each amended to 6 read as follows:
- The following words and phrases as used in this chapter have the meanings set forth in this section unless the context otherwise requires.
- 10 (1) "Accredited school" means a school or course of instruction 11 which is:
- 12 (a) Approved by the state superintendent of public instruction, 13 the state board of education, or the state board for community and 14 technical colleges; or
- (b) Regulated or licensed as to course content by any agency of the state or under any occupational licensing act of the state, or recognized by the apprenticeship council under an agreement registered with the apprenticeship council pursuant to chapter 49.04

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1 (2) "Average monthly wage" means the average annual wage as determined under RCW 50.04.355 as now or hereafter amended divided by twelve.

- (3) "Beneficiary" means a husband, wife, registered domestic partner, or child of a victim in whom shall vest a right to receive payment under this chapter, except that a husband or wife of an injured victim, living separate and apart in a state of abandonment, regardless of the party responsible therefor, for more than one year at the time of the injury or subsequently, shall not be a beneficiary. A spouse who has lived separate and apart from the other spouse for the period of two years and who has not, during that time, received or attempted by process of law to collect funds for maintenance, shall be deemed living in a state of abandonment.
- (4) "Child" means every natural born child, posthumous child, stepchild, child legally adopted prior to the injury, child born after the injury where conception occurred prior to the injury, and dependent child in the legal custody and control of the victim, all while under the age of eighteen years, or under the age of twenty-three years while permanently enrolled as a full-time student in an accredited school, and over the age of eighteen years if the child is a dependent as a result of a physical, mental, or sensory handicap.
- (5) "Criminal act" means an act committed or attempted in this state which is: (a) Punishable as a federal offense that is comparable to a felony or gross misdemeanor in this state; (b) punishable as a felony or gross misdemeanor under the laws of this state; (c) an act committed outside the state of Washington against a resident of the state of Washington which would be compensable had it occurred inside this state and the crime occurred in a state which does not have a crime victims' compensation program, for which the victim is eligible as set forth in the Washington compensation law; or (d) trafficking as defined in RCW 9A.40.100. A "criminal act" does not include the following:
- (i) The operation of a motor vehicle, motorcycle, train, boat, or aircraft in violation of law unless:
 - (A) The injury or death was intentionally inflicted;
- 36 (B) The operation thereof was part of the commission of another 37 nonvehicular criminal act as defined in this section;
 - (C) The death or injury was the result of the operation of a motor vehicle after July 24, 1983, and ((a prependerance of the evidence establishes)) one of the following applies: (I) The victim

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1 submits a letter from the prosecutor of the county in which the crime occurred or his or her designee certifying there is probable cause to 2 believe that the death was the result of vehicular homicide under RCW 3 46.61.520((7)); (II) a conviction of vehicular homicide under RCW 4 46.61.520 has been obtained; (III) the victim submits a letter from 5 6 the prosecutor of the county in which the crime occurred or his or 7 her designee certifying there is probable cause to believe that the injury was a result of vehicular assault under RCW 46.61.522; or (IV) 8 a conviction of vehicular assault under RCW 46.61.522((-)) has been 9 obtained. In cases where a probable criminal defendant has died in 10 11 perpetration of vehicular assault or, in cases where the perpetrator 12 of the vehicular assault is unascertainable because he or she left the scene of the accident in violation of RCW 46.52.020 or, because 13 14 of physical or mental infirmity or disability the perpetrator is incapable of standing trial for vehicular assault, the department 15 16 may, by a preponderance of the evidence, establish that a vehicular 17 assault had been committed and authorize benefits;

- (D) The injury or death was caused by a driver in violation of RCW 46.61.502; or
- 20 (E) The injury or death was caused by a driver in violation of 21 RCW 46.61.655(7)(a), failure to secure a load in the first degree;

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- (ii) Neither an acquittal in a criminal prosecution nor the absence of any such prosecution is admissible in any claim or proceeding under this chapter as evidence of the noncriminal character of the acts giving rise to such claim or proceeding, except as provided for in (d)(i)(C) of this subsection;
- (iii) Evidence of a criminal conviction arising from acts which are the basis for a claim or proceeding under this chapter is admissible in such claim or proceeding for the limited purpose of proving the criminal character of the acts; and
- (iv) Acts which, but for the insanity or mental irresponsibility of the perpetrator, would constitute criminal conduct are deemed to be criminal conduct within the meaning of this chapter.
 - (6) "Department" means the department of labor and industries.
- 35 (7) "Financial support for lost wages" means a partial 36 replacement of lost wages due to a temporary or permanent total 37 disability.
- 38 (8) "Gainfully employed" means engaging on a regular and 39 continuous basis in a lawful activity from which a person derives a 40 livelihood.

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- 1 (9) "Injury" means a sudden and tangible happening, of a 2 traumatic nature, producing an immediate or prompt result, and 3 occurring from without, and such physical conditions as result 4 therefrom.
- 5 (10) "Invalid" means one who is physically or mentally 6 incapacitated from earning wages.

- (11) "Permanent total disability" means loss of both legs, or arms, or one leg and one arm, total loss of eyesight, paralysis, or other condition permanently incapacitating the victim from performing any work at any gainful occupation.
- (12) "Private insurance" means any source of recompense provided by contract available as a result of the claimed injury or death at the time of such injury or death, or which becomes available any time thereafter.
- (13) "Public insurance" means any source of recompense provided by statute, state or federal, available as a result of the claimed injury or death at the time of such injury or death, or which becomes available any time thereafter.
 - (14) "Temporary total disability" means any condition that temporarily incapacitates a victim from performing any type of gainful employment as certified by the victim's attending physician.
 - (15) "Victim" means a person who suffers bodily injury or death as a proximate result of a criminal act of another person, the victim's own good faith and reasonable effort to prevent a criminal act, or his or her good faith effort to apprehend a person reasonably suspected of engaging in a criminal act. For the purposes of receiving benefits pursuant to this chapter, "victim" is interchangeable with "employee" or "worker" as defined in chapter 51.08 RCW as now or hereafter amended.
- **Sec. 2.** RCW 7.68.030 and 2011 c 346 s 206 are each amended to 31 read as follows:
 - (1) It shall be the duty of the director to establish and administer a program of benefits to innocent victims of criminal acts within the terms and limitations of this chapter. The director may apply for and, subject to appropriation, expend federal funds under Public Law 98-473 and any other federal program providing financial assistance to state crime victim compensation programs. The federal funds shall be deposited in the state general fund and may be expended only for purposes authorized by applicable federal law.

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(2) The director shall:

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- (a) Establish and adopt rules governing the administration of this chapter in accordance with chapter 34.05 RCW;
 - (b) Regulate the proof of accident and extent thereof, the proof of death, and the proof of relationship and the extent of dependency;
- (c) Supervise the medical, surgical, and hospital treatment to the intent that it may be in all cases efficient and up to the recognized standard of modern surgery;
- 9 (d) Issue proper receipts for moneys received and certificates 10 for benefits accrued or accruing;
- 11 (e) Designate a medical director who is licensed under chapter 12 18.57 or 18.71 RCW;
 - (f) Supervise the providing of prompt and efficient care and treatment, including care provided by physician assistants governed by the provisions of chapters 18.57A and 18.71A RCW, acting under a supervising physician, including chiropractic care, and including care provided by licensed advanced registered nurse practitioners, to victims at the least cost consistent with promptness and efficiency, without discrimination or favoritism, and with as great uniformity as the various and diverse surrounding circumstances and locations of industries will permit and to that end shall, from time to time, establish and adopt and supervise the administration of printed forms, electronic communications, rules, regulations, and practices for the furnishing of such care and treatment. The medical coverage decisions of the department do not constitute a "rule" as used in RCW 34.05.010(16), nor are such decisions subject to the rule-making provisions of chapter 34.05 RCW except that criteria for establishing medical coverage decisions shall be adopted by rule. The department may recommend to a victim particular health care services and providers where specialized treatment is indicated or where costeffective payment levels or rates are obtained by the department, and the department may enter into contracts for goods and services including, but not limited to, durable medical equipment so long as statewide access to quality service is maintained for injured victims;
 - (g) In consultation with interested persons, establish and, in his or her discretion, periodically change as may be necessary, and make available a fee schedule of the maximum charges to be made by any physician, surgeon, chiropractor, hospital, druggist, licensed advanced registered nurse practitioner, and physician assistants as

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1 defined in chapters 18.57A and 18.71A RCW, acting under a supervising physician or other agency or person rendering services to victims. 2 The department shall coordinate with other state purchasers of health 3 care services to establish as much consistency and uniformity in 4 billing and coding practices as possible, taking into account the 5 б unique requirements and differences between programs. No service covered under this title, including services provided to victims, 7 whether aliens or other victims, who are not residing in the United 8 States at the time of receiving the services, shall be charged or 9 paid at a rate or rates exceeding those specified in such fee 10 schedule, and no contract providing for greater fees shall be valid 11 12 as to the excess. The establishment of such a schedule, exclusive of conversion factors, does not constitute "agency action" as used in 13 RCW 34.05.010(3), nor does such a fee schedule constitute a "rule" as 14 used in RCW 34.05.010(16). Payments for providers' services under the 15 16 fee schedule established pursuant to this subsection (2)(g) may not 17 be less than payments provided for comparable services under the workers' compensation program under Title 51 RCW; 18

- (h) Make a record of the commencement of every disability and the termination thereof and, when bills are rendered for the care and treatment of injured victims, shall approve and pay those which conform to the adopted rules, regulations, established fee schedules, and practices of the director and may reject any bill or item thereof incurred in violation of the principles laid down in this section or the rules, regulations, or the established fee schedules and rules and regulations adopted under it.
 - (3) The director and his or her authorized assistants:

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- (a) Have power to issue subpoenas to enforce the attendance and testimony of witnesses and the production and examination of books, papers, photographs, tapes, and records before the department in connection with any claim made to the department or any billing submitted to the department. The superior court has the power to enforce any such subpoena by proper proceedings;
- (b)(i) May apply for and obtain a superior court order approving and authorizing a subpoena in advance of its issuance. The application may be made in the county where the subpoenaed person resides or is found, or the county where the subpoenaed records or documents are located, or in Thurston county. The application must (A) state that an order is sought pursuant to this subsection; (B) adequately specify the records, documents, or testimony; and (C)

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declare under oath that an investigation is being conducted for a lawfully authorized purpose related to an investigation within the department's authority and that the subpoenaed documents or testimony are reasonably related to an investigation within the department's authority.

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- (ii) Where the application under this subsection (3)(b) is made to the satisfaction of the court, the court must issue an order approving the subpoena. An order under this subsection constitutes authority of law for the agency to subpoena the records or testimony.
- (iii) The director and his or her authorized assistants may seek approval and a court may issue an order under this subsection without prior notice to any person, including the person to whom the subpoena is directed and the person who is the subject of an investigation.
- 14 all hearings, actions, or proceedings before the (4)In department, any physician or licensed advanced registered nurse 15 16 practitioner having theretofore examined or treated the claimant may 17 be required to testify fully regarding such examination or treatment, and shall not be exempt from so testifying by reason of the relation 18 of the physician or licensed advanced registered nurse practitioner 19 20 to the patient.
- 21 **Sec. 3.** RCW 7.68.070 and 2011 c 346 s 401 are each amended to 22 read as follows:
 - The eligibility for benefits under this chapter and the amount thereof will be governed insofar as is applicable by the provisions contained in this chapter.
 - (1) Each victim injured as a result of a criminal act, including criminal acts committed between July 1, 1981, and January 1, 1983, or the victim's family or beneficiary in case of death of the victim, are eligible for benefits in accordance with this chapter, subject to the limitations under RCW 7.68.015. No more than fifty thousand dollars shall be paid in total per claim, of which nonmedical benefits shall not exceed forty thousand dollars of the entire claim. Benefits may include a combination of burial expenses, financial support for lost wages, and medical expenses.
- 35 (a) Benefits payable for temporary total disability that results 36 in financial support for lost wages shall not exceed fifteen thousand 37 dollars.
- 38 (b) Benefits payable for a permanent total disability or fatality 39 that results in financial support for lost wages shall not exceed

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forty thousand dollars. After at least twelve monthly payments have been paid, the department shall have the sole discretion to make a final lump sum payment of the balance remaining.

- (c) Benefits for disposition of remains or burial expenses shall not exceed ((five)) six thousand ((seven)) one hundred ((fifty)) seventy dollars per claim. Beginning July 1, 2020, the department shall adjust the amount in this subsection (1)(c) for inflation every three years based upon changes in the consumer price index during that time period. As used in this subsection (1)(c), "consumer price index" means the consumer price index compiled by the bureau of labor statistics, United States department of labor for the state of Washington. If the bureau of labor statistics develops more than one consumer price index for areas within the state, the index covering the greatest number of people, covering areas exclusively within the boundaries of the state, and including all items shall be used.
- (2) If the victim was not gainfully employed at the time of the criminal act or for a total of twelve weeks in the six months preceding the date of the criminal act, no financial support for lost wages will be paid to the victim or any beneficiaries.
- (3) No victim or beneficiary shall receive compensation for or during the day on which the injury was received.
- (4) If a victim's employer continues to pay the victim's wages that he or she was earning at the time of the crime, the victim shall not receive any financial support for lost wages.
- disability results in a loss of wages, the victim shall receive monthly subject to subsection (1) of this section, during the period of disability, sixty percent of the victim's monthly wage but no more than one hundred percent of the state's average monthly wage as defined in RCW 7.68.020. The minimum monthly payment shall be no less than five hundred dollars. Monthly wages shall be based upon employer wage statements, employment security records, or documents reported to and certified by the internal revenue service. Monthly wages must be determined using the actual documented monthly wage or averaging the total wages earned for up to twelve successive calendar months preceding the injury. In cases where the victim's wages and hours are fixed, they shall be determined by multiplying the daily wage the victim was receiving at the time of the injury:
 - (a) By five, if the victim was normally employed one day a week;
 - (b) By nine, if the victim was normally employed two days a week;

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- 1 (c) By thirteen, if the victim was normally employed three days a week;
- 3 (d) By eighteen, if the victim was normally employed four days a week;
- 5 (e) By twenty-two, if the victim was normally employed five days 6 a week;
- 7 (f) By twenty-six, if the victim was normally employed six days a 8 week; or
- 9 (g) By thirty, if the victim was normally employed seven days a 10 week.

- (6) When the director determines that a permanent total disability or death results in a loss of wages, the victim or eligible spouse shall receive the monthly payments established in this subsection, not to exceed forty thousand dollars or the limits established in this chapter.
- (7) If the director determines that the victim is voluntarily retired and is no longer attached to the workforce, benefits shall not be paid under this section.
- (8) In the case of death, if there is no eligible spouse, benefits shall be paid to the child or children of the deceased victim. If there is no spouse or children, no payments shall be made under this section. If the spouse remarries before this benefit is paid in full benefits shall be paid to the victim's child or children and the spouse shall not receive further payment. If there is no child or children no further payments will be made.
- shall not exceed ((five)) six thousand ((seven)) one hundred ((fifty)) seventy dollars per claim and to receive reimbursement for expenses related to the disposition of remains or burial, the department must receive an itemized statement from a provider of services ((within twelve months of the date upon which the death of the victim is officially recognized as a homicide. If there is a delay in the recovery of remains or the release of remains for disposition or burial, an itemized statement from a provider of services must be received within twelve months of the date of the release of the remains)). Beginning July 1, 2020, the department shall adjust the amount in this subsection (9) for inflation every three years based upon changes in the consumer price index during that time period. As used in this subsection (9), "consumer price index" means the consumer price index compiled by the bureau of labor

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- statistics, United States department of labor for the state of Washington. If the bureau of labor statistics develops more than one consumer price index for areas within the state, the index covering the greatest number of people, covering areas exclusively within the boundaries of the state, and including all items shall be used.
 - (10) Any person who is responsible for the victim's injuries, or who would otherwise be unjustly enriched as a result of the victim's injuries, shall not be a beneficiary under this chapter.

- (11) Crime victims' compensation is not available to pay for services covered under chapter 74.09 RCW or Title XIX of the federal social security act.
 - (12) A victim whose crime occurred in another state who qualifies for benefits under RCW 7.68.060(6) may receive appropriate mental health counseling to address distress arising from participation in the civil commitment proceedings. Fees for counseling shall be determined by the department in accordance with RCW 51.04.030, subject to the limitations of RCW 7.68.080.
 - (13) If the provisions of this title relative to compensation for injuries to or death of victims become invalid because of any adjudication, or are repealed, the period intervening between the occurrence of an injury or death, not previously compensated for under this title by lump payment or completed monthly payments, and such repeal or the rendition of the final adjudication of invalidity shall not be computed as a part of the time limited by law for the commencement of any action relating to such injury or death.
 - (14) The benefits established in RCW 51.32.080 for permanent partial disability will not be provided to any crime victim or for any claim submitted on or after July 1, 2011.
- **Sec. 4.** RCW 7.68.080 and 2011 1st sp.s. c 15 s 69 and 2011 c 346 30 s 501 are each reenacted and amended to read as follows:
 - (1) When the injury to any victim is so serious as to require the victim's being taken from the place of injury to a place of treatment, reasonable transportation costs to the nearest place of proper treatment shall be reimbursed by the department as part of the victim's total claim under RCW 7.68.070(1).
 - (2) In the case of alleged rape or molestation of a child, the reasonable costs of a colposcopy examination shall be reimbursed by the department. Costs for a colposcopy examination given under this

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subsection shall not be included as part of the victim's total claim under RCW 7.68.070(1).

- (3) The director shall adopt rules for fees and charges for hospital, clinic, medical, and other health care services, including fees and costs for durable medical equipment, eyeglasses, hearing aids, and other medically necessary devices for crime victims under this chapter. The director shall set these service levels and fees at a level no lower than those established ((by the health care authority)) for comparable services under the workers' compensation program under Title ((74)) 51 RCW. In establishing fees for medical and other health care services, the director shall consider the director's duty to purchase health care in a prudent, cost-effective manner. The director shall establish rules adopted in accordance with chapter 34.05 RCW. Nothing in this chapter may be construed to require the payment of interest on any billing, fee, or charge.
- (4) Whenever the director deems it necessary in order to resolve any medical issue, a victim shall submit to examination by a physician or physicians selected by the director, with the rendition of a report to the person ordering the examination. The department shall provide the physician performing an examination with all relevant medical records from the victim's claim file. The director, in his or her discretion, may charge the cost of such examination or examinations to the crime victims' compensation fund. If the examination is paid for by the victim, then the cost of said examination shall be reimbursed to the victim for reasonable costs connected with the examination as part of the victim's total claim under RCW 7.68.070(1).
- (5) Victims of sexual assault are eligible to receive appropriate counseling. Fees for such counseling shall be determined by the department. Counseling services may include, if determined appropriate by the department, counseling of members of the victim's immediate family, other than the perpetrator of the assault.
- (6) Immediate family members of a homicide victim may receive appropriate counseling to assist in dealing with the immediate, near-term consequences of the related effects of the homicide. Up to twelve counseling sessions may be received ((for one year)) after the crime victim's claim has been allowed. Fees for counseling shall be determined by the department in accordance with and subject to this section. Payment of counseling benefits under this section may not be provided to the perpetrator of the homicide. The benefits under this

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subsection may be provided only with respect to homicides committed on or after July 1, 1992.

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- (7) Pursuant to RCW 7.68.070(12), a victim of a sex offense that occurred outside of Washington may be eligible to receive mental health counseling related to participation in proceedings to civilly commit a perpetrator.
- (8) The crime victims' compensation program shall consider payment of benefits solely for the effects of the criminal act.
- (9) The legislature finds and declares it to be in the public interest of the state of Washington that a proper regulatory and inspection program be instituted in connection with the provision of any services provided to crime victims pursuant to this chapter. In order to effectively accomplish such purpose and to assure that the victim receives such services as are paid for by the state of Washington, the acceptance by the victim of such services, and the request by a provider of services for reimbursement for providing such services, shall authorize the director of the department or the director's authorized representative to inspect and audit all records in connection with the provision of such services. In the conduct of such audits or investigations, the director or the director's authorized representatives may:
- (a) Examine all records, or portions thereof, including patient records, for which services were rendered by a health care provider and reimbursed by the department, notwithstanding the provisions of any other statute which may make or purport to make such records privileged or confidential, except that no original patient records shall be removed from the premises of the health care provider, and that the disclosure of any records or information obtained under authority of this section by the department is prohibited and constitutes a violation of RCW 42.52.050, unless such disclosure is directly connected to the official duties of the department. The disclosure of patient information as required under this section shall not subject any physician, licensed advanced registered nurse practitioner, or other health care provider to any liability for breach of any confidential relationships between the provider and the patient. The director or the director's authorized representative shall destroy all copies of patient medical records in their upon completion of the audit, investigation, possession proceedings;

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(b) Approve or deny applications to participate as a provider of services furnished to crime victims pursuant to this title;

- (c) Terminate or suspend eligibility to participate as a provider of services furnished to victims pursuant to this title; and
- (d) Pursue collection of unpaid overpayments and/or penalties plus interest accrued from health care providers pursuant to RCW 51.32.240(6).
- (10) When contracting for health care services and equipment, the department, upon request of a contractor, shall keep confidential financial and valuable trade information, which shall be exempt from public inspection and copying under chapter 42.56 RCW.

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