

# SENATE BILL REPORT

## SHB 1310

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As Reported By Senate Committee On:  
Labor, Commerce, Research & Development, March 22, 2005

**Title:** An act relating to mandatory electronic data reporting under Title 51 RCW for workers' compensation self-insurers.

**Brief Description:** Requiring mandatory electronic data reporting under Title 51 RCW for workers' compensation self-insurers.

**Sponsors:** House Committee on Commerce & Labor (originally sponsored by Representatives Hudgins, Conway, McCoy, Condotta, Wood and Chase; by request of Department of Labor & Industries).

**Brief History:** Passed House: 2/28/05, 94-1.

**Committee Activity:** Labor, Commerce, Research & Development: 3/22/05 [DP].

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### SENATE COMMITTEE ON LABOR, COMMERCE, RESEARCH & DEVELOPMENT

**Majority Report:** Do pass.

Signed by Senators Kohl-Welles, Chair; Franklin, Vice Chair; Parlette, Ranking Minority Member; Hewitt, Keiser and Prentice.

**Staff:** Alison Mendiola (786-7483)

**Background:** Industrial insurance is a no-fault state workers compensation program that provides medical and partial wage replacement benefits to covered workers who are injured on the job or who develop an occupational disease. Employers must insure with the state fund administered by the Department of Labor and Industries (L&I), or if qualified, may self-insure. School districts, educational school districts, and hospitals may self-insure.

Self-insurers provide the same level of benefits that are provided to injured workers under the state funded workers compensation program.

To be certified as a self-insurer, the employer must meet specific statutory criteria. Self-insurers manage most aspects of their injured worker claims and are required to report various claims actions to L&I. The information obtained by L&I is kept confidential, for the most part.

Self-insurers pay assessments to L&I to cover L&I's administrative costs of regulating self-insurance and for an insolvency trust fund.

Self-insurers are subject to penalties by L&I for failing to file required reports, and are subject to decertification in certain circumstances.

**Summary of Bill:** L&I must establish an electronic reporting system for self-insured employers to use when submitting specified industrial insurance claim data to L&I. Though

the information reported is confidential, L&I may publish aggregated claims data that do not contain personal identifiers.

Beginning July 1, 2008:

- self-insured employers will be required to submit data electronically to L&I, and electronic submittal will be a requirement to maintain and qualify for self-insurance status; and
- if a self-insurer fails to comply with the electronic submittal requirement, the self insurer will be subject to penalties.

L&I must adopt rules to administer the self-insurer electronic data program.

**Appropriation:** None.

**Fiscal Note:** Available.

**Committee/Commission/Task Force Created:** No.

**Effective Date:** Ninety days after adjournment of session in which bill is passed.

**Testimony For:** This is Department request legislation that actually came from the self-insurers. This bill would require that the self-insurers change their reporting method from paper to electronic.

**Testimony Against:** None.

**Who Testified:** PRO: Dave Kaplan, Washington Self-Insurers Association; Vickie Kennedy, Department of Labor and Industry.