

CERTIFICATION OF ENROLLMENT

SUBSTITUTE HOUSE BILL 2537

Chapter 254, Laws of 2006

59th Legislature
2006 Regular Session

INDUSTRIAL INSURANCE--EMPLOYER-ASSISTED INJURY REPORTING--PILOT
PROGRAM

EFFECTIVE DATE: 6/7/06

Passed by the House February 10, 2006
Yeas 97 Nays 1

FRANK CHOPP

Speaker of the House of Representatives

Passed by the Senate March 3, 2006
Yeas 45 Nays 2

BRAD OWEN

President of the Senate

Approved March 27, 2006.

CHRISTINE GREGOIRE

Governor of the State of Washington

CERTIFICATE

I, Richard Nafziger, Chief Clerk of the House of Representatives of the State of Washington, do hereby certify that the attached is **SUBSTITUTE HOUSE BILL 2537** as passed by the House of Representatives and the Senate on the dates hereon set forth.

RICHARD NAFZIGER

Chief Clerk

FILED

March 27, 2006 - 3:31 p.m.

**Secretary of State
State of Washington**

SUBSTITUTE HOUSE BILL 2537

Passed Legislature - 2006 Regular Session

State of Washington 59th Legislature 2006 Regular Session

By House Committee on Commerce & Labor (originally sponsored by Representatives Conway, Condotta, McCoy, Hudgins and B. Sullivan; by request of Department of Labor & Industries)

READ FIRST TIME 02/03/06.

1 AN ACT Relating to establishing a pilot program to allow employers
2 to assist employees in completing applications for industrial insurance
3 benefits; and amending RCW 51.28.015.

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

5 **Sec. 1.** RCW 51.28.015 and 2005 c 108 s 1 are each amended to read
6 as follows:

7 (1) The legislature finds that:

8 (a) In 1998, the joint legislative audit and review committee, in
9 its performance audit of the Washington industrial insurance system,
10 reported that one of the most significant causes for delayed benefit
11 payments to workers and lack of employer involvement in claims was the
12 manner in which claims were reported. Under this system of reporting,
13 the worker generally reports the injury to a physician who, in turn,
14 reports the injury to the department.

15 (b) The performance audit further reported that adopting a system
16 in which the employee reports to the employer and the employer reports
17 to the department would speed the first payment of benefits to the
18 worker and involve the employer, from the beginning of the claim, in

1 assisting in the management of the claim, including returning the
2 worker to work.

3 (c) The performance audit also recognized that there would be
4 instances in which workers would be reluctant to report injuries to
5 employers and that, therefore, the system of physician reporting should
6 be retained as an alternative, and employer reporting should be tested
7 on a widespread basis.

8 (2)((+a)) The department of labor and industries shall develop and
9 implement an initiative to:

10 (a) Encourage the reporting of industrial injuries and occupational
11 diseases by the worker to his or her employer and by the employer to
12 the department(~~(. Under this initiative, the department must take~~
13 ~~steps to))~~;

14 (b) Encourage the employer to provide assistance to the worker in
15 completing the application for compensation; and

16 (c) Educate workers and employers about the benefits and importance
17 of prompt reporting of injuries and diseases.

18 ((+b) By) (3)(a) By January 1, 2007, the department shall develop
19 and begin a pilot program to allow employers to assist workers in
20 completing an application for benefits. This pilot program does not
21 replace the current method for reporting as provided in RCW 51.28.020.

22 (b) The department shall develop requirements or rules for
23 employers who participate in the pilot program, including provisions to
24 ensure prompt reporting of the claim and communicating a worker's
25 rights and responsibilities under the pilot program. The pilot program
26 shall include the voluntary participation of employers that represent
27 a cross-section of industries, geographic areas, union and nonunion
28 workers, large and small businesses, and other criteria established by
29 the department with input of business and labor leaders.

30 (c) During the pilot period, the department shall consider steps to
31 address the unique needs and issues of small employers.

32 (d) The number of participating employers must not be more than
33 five hundred during the first year of the pilot program. This number
34 may be increased to seven hundred fifty during the second year of the
35 pilot program.

36 (e) The pilot program expires July 1, 2009.

37 (4) On December 1, ((2006)) 2007, and December 1, 2008, the
38 department of labor and industries shall ((develop and make statutory

1 ~~recommendations for an alternative system of reporting injuries under~~
2 ~~which the worker would report to the employer and the employer would~~
3 ~~report to the department. Upon passage of such legislation, the~~
4 ~~department shall immediately begin an educational effort to promote~~
5 ~~this method of reporting.~~

6 ~~(3)(a) The department must conduct~~) report to the appropriate
7 committees of the legislature the findings of a study of:

8 ~~((i))~~) (a) Claims that are not reported promptly, including but
9 not limited to a review of the circumstances of such claims, the type
10 of injuries involved in such claims, and the reasons for the failure to
11 report such claims promptly;

12 ~~((ii))~~) (b) The effect of the educational initiative required
13 under subsection (2)~~((a))~~) of this section on whether the number of
14 claims reported to employers increased, whether there was a reduction
15 in delays in benefit payments, and whether there was an improvement in
16 employer involvement in assisting with claims management and an
17 increase in appropriate return-to-work and better outcomes for injured
18 workers and employers; ~~(and~~

19 ~~(iii))~~) (c) The results of the efforts of the centers of
20 occupational health education in early reporting and early notification
21 of employers, and the general lessons that can be drawn from these
22 results for the larger workers' compensation program(~~-~~

23 ~~(b) By December 1, 2006, the department must report on the results~~
24 ~~of the study to the appropriate committees of the legislature))~~; and

25 (d) The results of the pilot program for workers to begin the
26 process of applying for compensation through the employer and whether
27 additional statutory changes are required or recommended to implement
28 this process for all employers and workers.

Passed by the House February 10, 2006.
Passed by the Senate March 3, 2006.
Approved by the Governor March 27, 2006.
Filed in Office of Secretary of State March 27, 2006.