

FINAL BILL REPORT

SB 6222

C 58 L 96

Synopsis as Enacted

Brief Description: Providing for self-insurance administrative procedures.

Sponsors: Senators Pelz, Deccio and Newhouse; by request of Department of Labor & Industries.

Senate Committee on Labor, Commerce & Trade

House Committee on Commerce & Labor

Background: When an employee or an organization representing employees requests a hearing to determine if there are grounds for decertifying a self-insured employer, the Department of Labor and Industries must hold the hearing. This has proven to be a cumbersome and expensive process that rarely results in decertification because the law allows a self-insurer 30 days to self-correct.

Self-insurers are currently required to send a form to the department upon making an initial time-loss payment to an injured worker. They must also send a form whenever benefits change or stop. While the department does review the initial and final forms in detail, the supplemental forms notifying the department of changes are not reviewed on receipt nor with any regularity due to the high volume of forms.

Summary: Hearings on decertification of self-insured employers are discretionary. The 30 day allowance for self-correcting is eliminated for those self-insured employers that the department determines should be decertified. Self-insurers receive no less than 90 days notice prior to decertification.

Self-insurers are no longer required to notify the department upon stopping or changing payment of income benefits. The department may require submission of a record of benefit payments.

Votes on Final Passage:

Senate	48 0
House	97 0

Effective: June 6, 1996