
HOUSE BILL 1617

State of Washington

55th Legislature

1997 Regular Session

By Representatives McMorris, Mulliken, L. Thomas, Honeyford, Mielke, Boldt, Conway, Dunn and Backlund

Read first time 02/03/97. Referred to Committee on Commerce & Labor.

1 AN ACT Relating to a performance audit of the department of labor
2 and industries' claims administration; and creating a new section.

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

4 NEW SECTION. **Sec. 1.** (1) The legislature finds that performance
5 audit findings may include identification of potential cost savings and
6 ways to improve service delivery. It is the intent of the legislature
7 to review the department of labor and industries' claims administration
8 within the industrial insurance system to assist the agency in
9 developing its budget proposals and policymakers in evaluating
10 proposals to improve agency efficiency and performance.

11 (2)(a) The joint legislative audit and review committee shall
12 conduct a performance audit of claims administration within the
13 insurance services division of the department of labor and industries.
14 In addition to the standard items reviewed in a performance audit, the
15 committee shall provide an evaluation of the efficiency with which the
16 department operates the claims administration program and
17 recommendations for improving efficiency. In conducting the audit, the
18 committee shall use, to the extent the committee finds the standards
19 relevant, performance measures or standards related to claims

1 administration that are generally recognized in the insurance industry
2 or standards generally followed by self-insured employers under the
3 industrial insurance system.

4 (b) The committee shall report its findings to the appropriate
5 committees of the legislature by December 1, 1997.

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