

2 **SSB 5813** - S AMD - 239

3 By Senator Thibaudeau and Deccio

4 ADOPTED 3/16/99

5 On page 1, strike everything after the enacting clause and insert  
6 the following:

7 "NEW SECTION. **Sec. 1.** A new section is added to chapter 48.43 RCW  
8 to read as follows:

9 Any carrier that offers a health plan and any self-insured health  
10 plan subject to the jurisdiction of Washington state shall designate a  
11 medical director who is licensed under chapter 18.57 or 18.71 RCW.

12 **Sec. 2.** RCW 51.04.020 and 1994 c 164 s 24 are each amended to read  
13 as follows:

14 The director shall:

15 (1) Establish and adopt rules governing the administration of this  
16 title;

17 (2) Ascertain and establish the amounts to be paid into and out of  
18 the accident fund;

19 (3) Regulate the proof of accident and extent thereof, the proof of  
20 death and the proof of relationship and the extent of dependency;

21 (4) Supervise the medical, surgical, and hospital treatment to the  
22 intent that it may be in all cases efficient and up to the recognized  
23 standard of modern surgery;

24 (5) Issue proper receipts for moneys received and certificates for  
25 benefits accrued or accruing;

26 (6) Investigate the cause of all serious injuries and report to the  
27 governor from time to time any violations or laxity in performance of  
28 protective statutes or regulations coming under the observation of the  
29 department;

30 (7) Compile statistics which will afford reliable information upon  
31 which to base operations of all divisions under the department;

32 (8) Make an annual report to the governor of the workings of the  
33 department;

34 (9) Be empowered to enter into agreements with the appropriate  
35 agencies of other states relating to conflicts of jurisdiction where

1 the contract of employment is in one state and injuries are received in  
2 the other state, and insofar as permitted by the Constitution and laws  
3 of the United States, to enter into similar agreements with the  
4 provinces of Canada; and

5 (10) Designate a medical director who is licensed under chapter  
6 18.57 or 18.71 RCW.

7 **Sec. 3.** RCW 51.14.030 and 1977 ex.s. c 323 s 10 are each amended  
8 to read as follows:

9 The director may issue a certification that an employer is  
10 qualified as a self-insurer when such employer meets the following  
11 requirements:

12 (1) He or she has fulfilled the requirements of RCW 51.14.020.

13 (2) He or she has submitted to the department a payroll report for  
14 the preceding consecutive twelve month period.

15 (3) He or she has submitted to the department a sworn itemized  
16 statement accompanied by an independent audit of the employer's books  
17 demonstrating to the director's satisfaction that the employer has  
18 sufficient liquid assets to meet his or her estimated liabilities as a  
19 self-insurer.

20 (4) He or she has demonstrated to the department the existence of  
21 the safety organization maintained by him or her within his or her  
22 establishment that indicates a record of accident prevention.

23 (5) He or she has submitted to the department a description of the  
24 administrative organization to be maintained by him or her to manage  
25 industrial insurance matters including:

26 (a) The reporting of injuries;

27 (b) The authorization of medical care;

28 (c) The payment of compensation;

29 (d) The handling of claims for compensation;

30 (e) The name and location of each business location of the  
31 employer; ~~((and))~~

32 (f) The qualifications of the personnel of the employer to perform  
33 this service; and

34 (g) The designation of a medical director who is licensed under  
35 chapter 18.57 or 18.71 RCW.

36 Such certification shall remain in effect until withdrawn by the  
37 director or surrendered by the employer with the approval of the  
38 director. An employer's qualification as a self-insurer shall become

1 effective on the date of certification or any date specified in the  
2 certificate after the date of certification.

3 **Sec. 4.** RCW 74.09.050 and 1979 c 141 s 335 are each amended to  
4 read as follows:

5 The secretary shall appoint such professional personnel and other  
6 assistants and employees, including professional medical screeners, as  
7 may be reasonably necessary to carry out the provisions of this  
8 chapter. The medical screeners shall be supervised by one or more  
9 physicians who shall be appointed by the secretary or his designee.  
10 The secretary shall appoint a medical director who is licensed under  
11 chapter 18.57 or 18.71 RCW.

12 NEW SECTION. **Sec. 5.** A new section is added to chapter 41.05 RCW  
13 to read as follows:

14 The administrator shall designate a medical director who is  
15 licensed under chapter 18.57 or 18.71 RCW."

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19 On page 1, on line 2 of the title, after "accountability;", strike  
20 all material through "RCW" on line 3, and insert "amending RCW  
21 51.04.020, 51.14.030 and 74.09.050; adding a new section to chapter  
22 48.43 RCW; and adding a new section to chapter 41.05 RCW"

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**EFFECT:** Requires any carrier who offers a health plan, the Department of Labor and Industries, self-insured workers compensation plans, DSHS for purposes of Medicaid, and the Health Care Authority to designate a medical director who is licensed in Washington as an allopathic or osteopathic physician.