S-3247.1

SENATE BILL 6261

State of Washington 57th Legislature 2002 Regular Session

By Senators Prentice, Gardner and Kline

Read first time 01/14/2002. Referred to Committee on Labor, Commerce & Financial Institutions.

AN ACT Relating to compensation during reconsideration or appeal of department of labor and industries' industrial insurance orders; amending RCW 51.52.050; and reenacting and amending RCW 51.52.060.

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

5 Sec. 1. RCW 51.52.050 and 1987 c 151 s 1 are each amended to read 6 as follows:

7 (1) Whenever the department has made any order, decision, or award, it shall promptly serve the worker, beneficiary, employer, or other 8 9 person affected thereby, with a copy thereof by mail, which shall be 10 addressed to such person at his or her last known address as shown by the records of the department. The copy, in case the same is a final 11 order, decision, or award, shall bear on the same side of the same page 12 13 on which is found the amount of the award, a statement, set in black 14 faced type of at least ten point body or size, that such final order, 15 decision, or award shall become final within sixty days from the date the order is communicated to the parties unless a written request for 16 17 reconsideration is filed with the department of labor and industries, Olympia, or an appeal is filed with the board of industrial insurance 18 appeals, Olympia((: PROVIDED, That)). However, a department order or 19

p. 1

decision making demand, whether with or without penalty, for repayment 1 2 of sums paid to a provider of medical, dental, vocational, or other health services rendered to an industrially injured worker, shall state 3 4 that such order or decision shall become final within twenty days from 5 the date the order or decision is communicated to the parties unless a written request for reconsideration is filed with the department of 6 7 labor and industries, Olympia, or an appeal is filed with the board of 8 industrial insurance appeals, Olympia.

9 (2) Whenever the department has taken any action or made any 10 decision relating to any phase of the administration of this title, the 11 worker, beneficiary, employer, or other person aggrieved thereby may 12 request reconsideration of the department, or may appeal to the board. 13 If an employer requests reconsideration of a department order in favor of an injured worker, temporary total disability compensation or 14 medical aid benefits granted to the worker by the order under 15 16 reconsideration shall continue while the reconsideration is pending, subject to the requirements of RCW 51.32.240(3). 17

(3) In an appeal before the board, the appellant shall have the 18 19 burden of proceeding with the evidence to establish a prima facie case 20 for the relief sought in such appeal((+ PROVIDED, That)). However, in an appeal from an order of the department that alleges fraud, the 21 department or self-insured employer shall initially introduce all 22 23 evidence in its case in chief. ((Any such)) A person aggrieved by the 24 decision and order of the board may thereafter appeal to the superior 25 court, as prescribed in this chapter.

26 **Sec. 2.** RCW 51.52.060 and 1995 c 253 s 1 and 1995 c 199 s 7 are 27 each reenacted and amended to read as follows:

(1)(a) Except as otherwise specifically provided in this section, 28 29 any worker, beneficiary, employer, health services provider, or other person aggrieved by an order, decision, or award of the department 30 must, before he or she appeals to the courts, file with the board and 31 32 the director, by mail or personally, within sixty days from the day on which a copy of the order, decision, or award was communicated to such 33 34 person, a notice of appeal to the board. However, a health services provider or other person aggrieved by a department order or decision 35 36 making demand, whether with or without penalty, solely for repayment of sums paid to a provider of medical, dental, vocational, or other health 37 services rendered to an industrially injured worker must, before he or 38

p. 2

1 she appeals to the courts, file with the board and the director, by 2 mail or personally, within twenty days from the day on which a copy of 3 the order or decision was communicated to the health services provider 4 upon whom the department order or decision was served, a notice of 5 appeal to the board.

6 (b) Failure to file a notice of appeal with both the board and the 7 department shall not be grounds for denying the appeal if the notice of 8 appeal is filed with either the board or the department.

9 (2) Within ten days of the date on which an appeal has been granted 10 by the board, the board shall notify the other interested parties to 11 the appeal of the receipt of the appeal and shall forward a copy of the 12 notice of appeal to the other interested parties. Within twenty days 13 of the receipt of such notice of the board, the worker or the employer 14 may file with the board a cross-appeal from the order of the department 15 from which the original appeal was taken.

16 (3) If within the time limited for filing a notice of appeal to the 17 board from an order, decision, or award of the department, the department directs the submission of further evidence or 18 the 19 investigation of any further fact, the time for filing the notice of 20 appeal shall not commence to run until the person has been advised in writing of the final decision of the department in the matter. 21 In the event the department directs the submission of further evidence or the 22 investigation of any further fact, as provided in this section, the 23 24 department shall render a final order, decision, or award within ninety 25 days from the date further submission of evidence or investigation of 26 further fact is ordered which time period may be extended by the 27 department for good cause stated in writing to all interested parties for an additional ninety days. 28

(4) The department, either within the time limited for appeal, orwithin thirty days after receiving a notice of appeal, may:

(a) Modify, reverse, or change any order, decision, or award; or (b)(i) Except as provided in (b)(ii) of this subsection, hold an order, decision, or award in abeyance for a period of ninety days which time period may be extended by the department for good cause stated in writing to all interested parties for an additional ninety days pending further investigation in light of the allegations of the notice of appeal; or

(ii) Hold an order, decision, or award issued under RCW 51.32.160in abeyance for a period not to exceed ninety days from the date of

SB 6261

p. 3

receipt of an application under RCW 51.32.160. The department may
extend the ninety-day time period for an additional sixty days for good
cause.

For purposes of this subsection, good cause includes delay that results from conduct of the claimant that is subject to sanction under RCW 51.32.110.

7 The board shall deny the appeal upon the issuance of an order under 8 (b) (i) or (ii) of this subsection holding an earlier order, decision, 9 or award in abeyance, without prejudice to the appellant's right to 10 appeal from any subsequent determinative order issued by the 11 department.

12 This subsection (4)(b) does not apply to applications deemed 13 granted under RCW 51.32.160.

14 (5) An employer shall have the right to appeal an application 15 deemed granted under RCW 51.32.160 on the same basis as any other 16 application adjudicated pursuant to that section.

(6) A provision of this section shall not be deemed to change, 17 alter, or modify the practice or procedure of the department for the 18 19 payment of awards pending appeal. <u>However, if an employer appeals to</u> the board a department order granting temporary total disability 20 compensation or medical aid benefits to a worker, the worker is 21 entitled to the compensation or medical aid benefits while the appeal 22 is pending before the board, subject to the requirements of RCW 23 24 51.32.240(3).

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