## HB 1887 - H AMD 38 By Representative Sawyer

## ADOPTED 03/11/2013

- 1 Strike everything after the enacting clause and insert the 2 following:
- 3 "Sec. 1. RCW 51.32.099 and 2011 c 291 s 2 are each amended to 4 read as follows:
- (1)(a) The legislature intends to create improved vocational outcomes for Washington state injured workers and employers through legislative and regulatory change under a pilot program for the period of January 1, 2008, through June 30, 2013. This pilot vocational system is intended to allow opportunities for eligible workers to participate in meaningful retraining in high-demand occupations, improve successful return to work and achieve positive outcomes for workers, reduce the incidence of repeat vocational services, increase accountability and responsibility, and improve cost predictability. To facilitate the study and evaluation of the results of the proposed changes, the department shall establish the temporary funding of certain state fund vocational costs through the medical aid account to ensure the appropriate assessments to employers for the costs of their claims for vocational services in accordance with RCW 51.32.0991.
- 19 (b) An independent review and study of the effects of the pilot 20 program shall be conducted to determine whether it has achieved the 21 appropriate outcomes at reasonable cost to the system. The review 22 shall include, at a minimum, a report on the department's performance 23 with regard to the provision of vocational services, the skills 24 acquired by workers who receive retraining services, the types of 25 training programs approved, whether the workers are employed, at what 26 jobs and wages after completion of the training program and at various 27 times subsequent to their claim closure, the number and demographics

- of workers who choose the option provided in subsection (4)(b) of this section, and their employment and earnings status at various times subsequent to claim closure. The department may adopt rules, in collaboration with the subcommittee created under (c)(iii) of this subsection, to further define the scope and elements of the required study. Reports of the independent researcher are due on December 1, 2010, December 1, 2011, and December 1, 2012.
- 8 (c) In implementing the pilot program, the department shall:
- Establish a vocational initiative project that 10 participation by the department as a partner with WorkSource, the 11 established state system that administers the federal workforce 12 investment act of 1998. As a partner, the department shall place 13 vocational professional full-time employees at pilot WorkSource 14 locations; refer some workers for vocational services to these 15 vocational professionals; and work with employers in work source pilot 16 areas to market the benefits of on-the-job training programs and with 17 community colleges to reserve slots in high employer demand programs 18 of study as defined in RCW 28B.50.030. These on-the-job training 19 programs and community college slots may be considered by both 20 department and private sector vocational professionals for vocational 21 plan development. The department will also assist stakeholders in 22 developing additional vocational training programs in various 23 industries, including but not limited to agriculture and construction. 24 These programs will expand the choices available to injured workers in 25 developing their vocational training plans with the assistance of 26 vocational professionals.
- (ii) Develop and maintain a register of state fund and self-28 insured workers who have been retrained or have selected any of the 29 vocational options described in this section for at least the duration 30 of the pilot program.
- (iii) Create a vocational rehabilitation subcommittee made up of members appointed by the director for at least the duration of the jilot program. This subcommittee shall provide the business and labor partnership needed to maintain focus on the intent of the pilot

- 1 program, as described in this section, and provide consistency and 2 transparency to the development of rules and policies. The 3 subcommittee shall report to the director at least annually and 4 recommend to the director and the legislature any additional statutory 5 changes needed, which may include extension of the pilot period. 6 subcommittee shall provide input and oversight with the department 7 concerning the study required under (b) of this subsection. 8 subcommittee shall provide recommendations for additional changes or 9 incentives for injured workers to return to work with their employer 10 of injury. The subcommittee shall also consider options that, under 11 limited circumstances, would allow injured workers 12 baccalaureate institutions under their vocational rehabilitation plans 13 and, by December 31, 2013, the subcommittee shall provide 14 recommendations to the director and the legislature on statutory
- 16 (iv) The department shall develop an annual report concerning 17 Washington's workers' compensation vocational rehabilitation system to 18 the legislature and to the subcommittee by December 1, 2009, and 19 annually thereafter with the final report due by December 1, 2012. 20 The annual report shall include the number of workers who have 21 participated in more than one vocational training plan beginning with 22 plans approved on January 1, 2008, and in which industries those final 23 workers were employed. The report shall include the 24 department's assessment and recommendations for further legislative 25 action, in collaboration with the subcommittee.

15 changes needed to develop those options.

- (2)(a) For the purposes of this section, the day the worker commences vocational plan development means the date the department or self-insurer notifies the worker of his or her eligibility for plan development services or of an eligibility determination in response to a dispute of a vocational decision.
- 31 (b) When the supervisor or supervisor's designee has decided that 32 vocational rehabilitation is both necessary and likely to make the 33 worker employable at gainful employment, he or she shall be provided 34 with services necessary to develop a vocational plan that, if

- 1 completed, would render the worker employable. The vocational
- 2 professional assigned to the claim shall, at the initial meeting with
- 3 the worker, fully inform the worker of the return-to-work priorities
- 4 set forth in RCW 51.32.095(2) and of his or her rights and
- 5 responsibilities under the workers' compensation vocational system.
- 6 The department shall provide tools to the vocational professional for
- 7 communicating this and other information required by RCW 51.32.095 and
- 8 this section to the worker.
- 9 (c) On the date the worker commences vocational plan development,
- 10 the department shall also inform the employer in writing of the
- 11 employer's right to make a valid return-to-work offer during the first
- 12 fifteen days following the commencement of vocational plan
- 13 development. However, at the sole discretion of the supervisor or the
- 14 supervisor's designee, an employer may be granted an extension of time
- 15 of up to ten additional days to make a valid return-to-work offer.
- 16 The additional days may be allowed by the department with or without a
- 17 request from the employer. The extension may only be granted if the
- 18 employer made a return-to-work offer to the worker within fifteen days
- 19 of the date the worker commenced vocational plan development that met
- 20 some but not all of the requirements in this section. To be valid,
- 21 the offer must be for bona fide employment with the employer of
- 22 injury, consistent with the worker's documented physical and mental
- 23 restrictions as provided by the worker's health care provider. When
- 24 the employer makes a valid return-to-work offer, the vocational plan
- 25 development services and temporary total disability compensation shall
- 26 be terminated effective on the starting date for the job without
- 27 regard to whether the worker accepts the return-to-work offer.
- 28 (d) Following the time period described in (c) of this subsection,
- 29 the employer may still provide, and the worker may accept, any valid
- 30 return-to-work offer. The worker's acceptance of such an offer shall
- 31 result in the termination of vocational plan development or
- 32 implementation services and temporary total disability compensation
- 33 effective the day the employment begins.

- 1 (3)(a) All vocational plans must contain an accountability 2 agreement signed by the worker detailing expectations regarding 3 progress, attendance, and other factors influencing successful 4 participation in the plan. Failure to abide by the agreed 5 expectations shall result in suspension of vocational benefits 6 pursuant to RCW 51.32.110.
- 7 (b) Any formal education included as part of the vocational plan 8 must be for an accredited or licensed program or other program 9 approved by the department. The department shall develop rules that 10 provide criteria for the approval of nonaccredited or unlicensed 11 programs.
- (c) The vocational plan for an individual worker must be completed and submitted to the department within ninety days of the day the worker commences vocational plan development. The department may extend the ninety days for good cause. Criteria for good cause shall be provided in rule. The frequency and reasons for good cause extensions shall be reported to the subcommittee created under subsection (1)(c)(iii) of this section.
- (d) Costs for the vocational plan may include books, tuition, 20 fees, supplies, equipment, child or dependent care, training fees for 21 on-the-job training, the cost of furnishing tools and other equipment 22 necessary for self-employment or reemployment, and other necessary 23 expenses in an amount not to exceed twelve thousand dollars. This 24 amount shall be adjusted effective July 1 of each year for vocational 25 plans or retraining benefits available under subsection (4)(b) of this 26 section approved on or after this date but before June 30 of the next 27 year based on the average percentage change in tuition for the next 28 fall quarter for all Washington state community colleges.
- (e) The duration of the vocational plan shall not exceed two years from the date the plan is implemented. The worker shall receive temporary total disability compensation under RCW 51.32.090 and the cost of transportation while he or she is actively and successfully participating in a vocational plan.

- 1 (f) If the worker is required to reside away from his or her 2 customary residence, the reasonable cost of board and lodging shall 3 also be paid.
- 4 (4) Vocational plan development services shall be completed within 5 ninety days of commencing. Except as provided in RCW 51.32.095(3), 6 during vocational plan development the worker shall, with the 7 assistance of a vocational professional, participate in vocational 8 counseling and occupational exploration to include, but not be limited 9 to, identifying possible job goals, training needs, resources, and 10 expenses, consistent with the worker's physical and mental status. A 11 vocational rehabilitation plan shall be developed by the worker and 12 the vocational professional and submitted to the department or 13 self-insurer. Following this submission, the worker shall elect one 14 of the following options:
- (a) Option 1: The department or self-insurer implements and the 15 16 worker participates in the vocational plan developed by the vocational 17 professional and approved by the worker and the department or 18 self-insurer. For state fund claims, the department must review and 19 approve the vocational plan before implementation may begin. 20 department takes no action within fifteen days, the plan is deemed 21 approved. The worker may, within fifteen days of the department's 22 approval of the plan or of a determination that the plan is valid 23 following a dispute, elect option 2. However, in the sole discretion 24 of the supervisor or supervisor's designee, the department may approve 25 an election for option 2 benefits that was submitted in writing within 26 twenty-five days of the department's approval of the plan or of a 27 determination that the plan is valid following a dispute if the worker 28 provides a written explanation establishing that he or she was unable 29 to submit his or her election of option 2 benefits within fifteen In no circumstance may the department approve of an election 30 days. 31 for option 2 benefits that was submitted more than twenty-five days 32 after the department's approval of a retraining plan or of 33 determination that a plan is valid following a dispute.

- 1 (i) Following successful completion of the vocational plan, any 2 subsequent assessment of whether vocational rehabilitation is both 3 necessary and likely to enable the injured worker to become employable 4 at gainful employment under RCW 51.32.095(1) shall include 5 consideration of transferable skills obtained in the vocational plan.
- 6 (ii) If a vocational plan is successfully completed on a claim 7 which is thereafter reopened as provided in RCW 51.32.160, the cost 8 and duration available for any subsequent vocational plan is limited 9 to that in subsection (3)(d) and (e) of this section, less that 10 previously expended.
- The worker declines further vocational services (b) Option 2: 11 12 under the claim and receives an amount equal to six months of 13 temporary total disability compensation under RCW 51.32.090. 14 award is payable in biweekly payments in accordance with the schedule 15 of temporary total disability payments, until such award is paid in 16 full. These payments shall not include interest on the unpaid 17 balance. However, upon application by the worker, and at the 18 discretion of the department, the compensation may be converted to a The vocational costs defined in subsection (3)(d) 19 lump sum payment. 20 of this section shall remain available to the worker, upon application 21 to the department or self-insurer, for a period of five years. 22 vocational costs shall, if expended, be available for programs or 23 courses at any accredited or licensed institution or program from a 24 list of those approved by the department for tuition, books, fees, 25 supplies, equipment, and tools, without department or self-insurer 26 oversight. The department shall issue an order as provided in RCW 27 51.52.050 confirming the option 2 election, setting a payment 28 schedule, and terminating temporary total disability benefits 29 effective the date of the order confirming that election. 30 department shall thereafter close the claim. A worker who elects 31 option 2 benefits shall not be entitled to further temporary total, or 32 to permanent total, disability benefits except upon a showing of a 33 worsening in the condition or conditions accepted under the claim such 34 that claim closure is not appropriate, in which case the option 2

- 1 selection will be rescinded and the amount paid to the worker will be
- 2 assessed as an overpayment. A claim that was closed based on the
- 3 worker's election of option 2 benefits may be reopened as provided in
- 4 RCW 51.32.160, but cannot be reopened for the sole purpose of allowing
- 5 the worker to seek vocational assistance.
- 6 (i) If within five years from the date the option 2 order becomes
- 7 final, the worker is subsequently injured or suffers an occupational
- 8 disease or reopens the claim as provided in RCW 51.32.160, and
- 9 vocational rehabilitation is found both necessary and likely to enable
- 10 the injured worker to become employable at gainful employment under
- 11 RCW 51.32.095(1), the duration of any vocational plan under subsection
- 12 (3)(e) of this section shall not exceed eighteen months.
- 13 (ii) If the available vocational costs are utilized by the worker,
- 14 any subsequent assessment of whether vocational rehabilitation is both
- 15 necessary and likely to enable the injured worker to become employable
- 16 at gainful employment under RCW 51.32.095(1) shall include
- 17 consideration of the transferable skills obtained.
- 18 (iii) If the available vocational costs are utilized by the worker
- 19 and the claim is thereafter reopened as provided in RCW 51.32.160, the
- 20 cost available for any vocational plan is limited to that in
- 21 subsection (3)(d) of this section less that previously expended.
- (iv) Option 2 may only be elected once per worker.
- 23 (c) The director, in his or her sole discretion, may provide the
- 24 worker vocational assistance not to exceed that in subsection (3) of
- 25 this section, without regard to the worker's prior option selection or
- 26 benefits expended, where vocational assistance would prevent permanent
- 27 total disability under RCW 51.32.060.
- 28 (5)(a) As used in this section, "vocational plan interruption"
- 29 means an occurrence which disrupts the plan to the extent the
- 30 employability goal is no longer attainable. "Vocational plan
- 31 interruption does not include institutionally scheduled breaks in
- 32 educational programs, occasional absence due to illness, or
- 33 modifications to the plan which will allow it to be completed within

1 the cost and time provisions of subsection (3)(d) and (e) of this 2 section.

- 3 (b) When a vocational plan interruption is beyond the control of 4 the worker, the department or self-insurer shall recommence plan 5 development. If necessary to complete vocational services, the cost 6 and duration of the plan may include credit for that expended prior to 7 the interruption. A vocational plan interruption is considered 8 outside the control of the worker when it is due to the closure of the 9 accredited institution, when it is due to a death in the worker's 10 immediate family, or when documented changes in the worker's accepted 11 medical conditions prevent further participation in the vocational 12 plan.
- 13 (c) When a vocational plan interruption is the result of the 14 worker's actions, the worker's entitlement to benefits shall be 15 suspended in accordance with RCW 51.32.110. If plan development or 16 implementation is recommenced, the cost and duration of the plan shall 17 not include credit for that expended prior to the interruption. 18 vocational plan interruption is considered a result of the worker's 19 actions when it is due to the failure to meet attendance expectations 20 set by the training or educational institution, failure to achieve 21 passing grades or acceptable performance review, unaccepted 22 postinjury conditions that prevent further participation in worker's failure 23 vocational plan, or the to abide bу the 24 accountability agreement per subsection (3)(a) of this section."

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26 Correct the title.

EFFECT: Strikes all provisions of the bill and instead requires the Vocational Rehabilitation Subcommittee to consider options that, under limited circumstances, would allow injured workers to attend baccalaureate institutions under their vocational rehabilitation plans. Requires the subcommittee, by December 31, 2013, to provide recommendations to the Department of Labor and Industries and the Legislature on statutory changes needed to develop those options.