

**WSR 24-12-018**  
**PROPOSED RULES**  
**DEPARTMENT OF**  
**SOCIAL AND HEALTH SERVICES**  
(Economic Services Administration)  
(Division of Child Support)  
[Filed May 24, 2024, 11:01 a.m.]

Original Notice.

Preproposal statement of inquiry was filed as WSR 24-07-104; and proposal is exempt under RCW 19.85.025(4).

**Title of Rule and Other Identifying Information:** The department of social and health services (DSHS) is amending WAC 388-14A-4900 Insurers must report claim information to the division of child support and withhold payments if directed. This rule-making action is to implement SB 5842 (chapter 126, Laws of 2024), which amends RCW 26.23.037 effective June 6, 2024. As a result of the legislation, the division of child support (DCS) is [required] to minimize the use of Social Security numbers reported directly to DCS by insurance companies complying with the mandatory reporting requirements of RCW 26.23.037.

**Hearing Location(s):** On July 10, 2024, at 10:00 a.m., virtually via Microsoft Teams or call in. See the DSHS website at <https://www.dshs.wa.gov/sesa/rpau/proposed-rules-and-public-hearings> for the most current information.

**Date of Intended Adoption:** Not earlier than July 11, 2024.

**Submit Written Comments to:** DSHS Rules Coordinator, P.O. Box 45850, Olympia, WA 98504, email [DSHSRPAURulesCoordinator@dshs.wa.gov](mailto:DSHSRPAURulesCoordinator@dshs.wa.gov), fax 360-664-6185, beginning June 5, 2024, 12:00 p.m., by July 10, 2024, by 5:00 p.m.

**Assistance for Persons with Disabilities:** Contact Shelley Tencza, DSHS rules consultant, phone 360-664-6036, fax 360-664-6185, TTY 711 relay service, email [Shelley.Tencza@dshs.wa.gov](mailto:Shelley.Tencza@dshs.wa.gov), by June 26, 2024, by 5:00 p.m.

**Purpose of the Proposal and Its Anticipated Effects, Including Any Changes in Existing Rules:** DSHS is amending WAC 388-14A-4900 to implement SB 5842 (chapter 126, Laws of 2024). SB 5842 amends RCW 26.23.037 to require DCS to minimize use of Social Security numbers reported directly to DCS by insurance companies.

Insurance companies have three different ways they can report insurance claim information to DCS under RCW 26.23.037. A direct report to DCS is one of those ways. The legislation does not change any of the "minimum identifying information" criteria imposed by the Office of Child Support Services or the Child Support Lien Network, the two other reporting methods. Nor does it prohibit insurance companies from including Social Security numbers as part of minimum identifying claim information. If an insurer reports claim information directly to DCS and does not include a Social Security number, DCS would only ask the insurer for the Social Security number if DCS is unable to identify the individual using full name, date of birth, and current physical address.

DCS proposes to reorder the sections in WAC 388-14A-4900 to better distinguish how insurers comply with RCW 26.23.037 when reporting directly to the DCS special collections unit, as opposed to reporting through the Office of Child Support Services or the Child Support Lien Network. In the list of minimum identifying information elements, DCS places Social Security number behind full name, date of birth, and

current physical address. DCS also proposes amendments of a technical nature to update the name of the Office of Child Support Enforcement to the Office of Child Support Services, and other changes recommended by the office of the code reviser's drafting guidelines.

Reasons Supporting Proposal: This rule making is required to implement SB 5842 (chapter 126, Laws of 2024). It will ensure insurers have sufficient information about the process to fully comply with the legal reporting requirements.

Statutory Authority for Adoption: RCW 26.23.037, 26.23.110, 74.08.090, and 74.20A.055.

Statute Being Implemented: RCW 26.23.037.

Rule is not necessitated by federal law, federal or state court decision.

Name of Proponent: DSHS, economic services administration, DCS, governmental.

Name of Agency Personnel Responsible for Drafting, Implementation, and Enforcement: Monica Turnbaugh, DCS Rules Coordinator, DCS Headquarters, P.O. Box 9162, Olympia, WA 98507-9162, 360-664-5339.

A school district fiscal impact statement is not required under RCW 28A.305.135.

A cost-benefit analysis is not required under RCW 34.05.328. Although this rule meets the definition of a significant legislative rule under RCW 34.05.328(5), the requirement for a cost-benefit analysis does not apply because this rule adopts a state statute (RCW 34.05.328 (5)(b)(iii)) and the content of the rule is "explicitly and specifically dictated by statute" (RCW 34.05.328 (5)(b)(v)). This rule is exempt under RCW 34.05.328 (5)(b)(vii), Rules of DSHS relating only to client medical or financial eligibility and rules concerning liability for care of dependents.

This rule proposal, or portions of the proposal, is exempt from requirements of the Regulatory Fairness Act because the proposal:

Is exempt under RCW 19.85.025(3) as the rule content is explicitly and specifically dictated by statute.

Is exempt under RCW 34.05.328 (5)(b)(vii).

Explanation of exemption(s): This rule is exempt under RCW 34.05.328 (5)(b)(vii), Rules of DSHS relating only to client medical or financial eligibility and rules concerning liability for care of dependents.

Scope of exemption for rule proposal:

Is fully exempt.

May 20, 2024  
Katherine I. Vasquez  
Rules Coordinator

## SHS-5035.1

AMENDATORY SECTION (Amending WSR 21-24-077, filed 11/30/21, effective 12/31/21)

**WAC 388-14A-4900 Insurers must report claim information to the division of child support and withhold payments if directed.** (1) Insurers must report certain insurance claims to the division of child

support (DCS). Within 10 days after opening a tort liability claim for bodily injury or wrongful death, a workers' compensation claim, or a claim under a policy of life insurance, including an annuity, the insurer must report sufficient information to ~~((the division of child support))~~ DCS to enable it to verify whether the claimant or other beneficiary owes child support. A claim is deemed opened when an insurer has sufficient information to:

(a) Identify the claimant;

(b) Determine that the claimant is entitled to payment of the insurance claim proceeds; and

(c) Make such payment. In the case of a claim that will be paid through periodic payments, the insurer must only report the claim before issuing the initial payment.

(2) Insurers can report information:

(a) To the federal office of child support services (OCSS) or the child support lien network (CSLN);

(b) Through an insurance claim data collection organization, which submits the required information to OCSS, CSLN, or the DCS special collections unit within the timeframes and in the manner required by law; or

(c) Directly to the DCS special collections unit, in writing or electronically, if the insurer does not have the capability to report through the above methods.

(3) The information reporting requirements are satisfied so long as the insurer provides minimum identifying information. ~~((Minimum identifying information about the claimant includes:))~~

(a) OCSS and CSLN maintain their own standards for minimum identifying information.

(b) For the purposes of reporting directly to the DCS special collections unit, minimum identifying information about the claim includes:

(i) The claimant's full name and date of birth;

~~((b))~~ (ii) The claimant's ((Social Security number, or if that is unavailable, the claimant's)) current physical address ((and date of birth));

(iii) The claimant's Social Security number, if full name, date of birth, and current physical address are not sufficient for DCS to identify the individual;

~~((e))~~ (iv) The insurer's name;

~~((d))~~ (v) The insurer's claims department address for lien receipt;

~~((e))~~ (vi) The insurer's claim number in the proper format for identification of the claim;

~~((f))~~ (vii) The insurer's claim date of loss;

~~((g))~~ (viii) The adjustor's name;

~~((h))~~ (ix) The adjustor's telephone number;

~~((i))~~ (x) The adjustor's email address; and

~~((j))~~ (xi) The insurer's fax number for receiving lien notices, if one exists.

~~((3) Insurers can report information:~~

~~(a) To the federal office of child support enforcement or the child support lien network;~~

~~(b) Through an insurance claim data collection organization, which submits the required information to the federal office of child support enforcement, the child support lien network, or the division of child support within the timeframes and in the manner required by law; or~~

~~(c) To the division of child support special collections unit in writing or electronically, if the insurer does not have the capability to report through the above methods.)~~

(4) Upon receipt of claims information, ~~((the division of child support))~~ DCS will determine whether a child support debt exists. If so, ~~((the division of child support))~~ DCS will issue a notice to the insurer to withhold payment and remit to ~~((the division of child support))~~ DCS. An insurer is not required to remit payment to ~~((the division of child support))~~ DCS if the notice issued is received after the insurer has disbursed payment on the claim.

(5) ~~((The division of child support))~~ DCS will give any lien, claim, or demand for reasonable claim-related attorneys' fees, property damage, and medical costs priority over any withholding of payment. These costs must be final costs after all reductions have been pursued with interested parties.