

HOUSE BILL REPORT

HB 1247

As Reported By House Committee On:
Commerce & Labor

Title: An act relating to reopening of industrial insurance claims.

Brief Description: Establishing computation of payment for a reopened industrial insurance claim.

Sponsors: Representatives King, Heavey, Franklin, Jones, G. Cole and Johanson.

Brief History:

Reported by House Committee on:
Commerce & Labor, February 2, 1993, DP.

HOUSE COMMITTEE ON COMMERCE & LABOR

Majority Report: Do pass. Signed by 8 members: Representatives Heavey, Chair; G. Cole, Vice Chair; Lisk, Ranking Minority Member; Chandler, Assistant Ranking Minority Member; Conway; Horn; King; and Veloria.

Staff: Chris Cordes (786-7117).

Background: When an injured worker's condition has become fixed and stable, and the worker has received the maximum benefit available from treatment, the worker's industrial insurance claim will be closed. However, if the worker's injury is aggravated or worsens within seven years from the time the claim was first closed, the worker may apply to reopen the claim. If the reopening application is accepted and temporary disability compensation is paid to the worker, the compensation is based on the worker's wages at the time of the original injury.

Summary of Bill: If a worker's industrial insurance claim is reopened, the worker's temporary disability compensation will be based on the worker's wages at reopening or the worker's wages at the time of injury, whichever is greater. In either case, benefits will be computed under the schedule of benefits in effect at the time of reopening or at the time of injury, whichever is higher.

Fiscal Note: Requested January 25, 1993.

Effective Date: Ninety days after adjournment of session in which bill is passed.

Testimony For: It is very difficult for an injured worker to have his or her claim reopened. Once it is reopened, benefits are paid based on a schedule that may be seven years old and on wages that the worker was earning up to seven years before. This bill is needed to provide equity for workers who suffer loss of earning power after their injuries.

Testimony Against: There is need to look at a complete overhaul of the industrial insurance system. Piecemeal changes are not the answer because all of the relevant factors need to be considered. Because employers cannot afford continuing premium increases, system-wide reform could find ways to offset increased benefits.

Witnesses: (In favor): Jeff Johnson, Washington State Labor Council. (Opposed): Gary Smith, Independent Business Association.