

HOUSE BILL ANALYSIS

HB 1845

Brief Description: Providing for vocational rehabilitation benefits under industrial insurance.

Sponsors: Chandler B. and Clements

Hearing: February 15, 1999

Brief Summary of Bill

- Increases from \$3,000 to \$4,000 the maximum amount that may be paid in a year for vocational rehabilitation benefits for workers with injuries occurring after July 1, 1999.
- Excludes an injured worker's transportation costs from being subject to the new limit.
- Requires a cost-benefit analysis of the new limit.

BACKGROUND:

The Department of Labor and Industries is authorized to pay, and may direct self-insured employers to pay, the costs of vocational rehabilitation services for injured workers when these services are necessary and likely to enable the injured worker to become employable at gainful employment. These costs are limited to \$3,000 in a 52-week period and include the cost of books, tuition, fees, supplies, equipment, transportation, child or dependent care, and other necessary expenses. The department may extend the period of benefits for an additional 52 weeks.

SUMMARY OF BILL:

Beginning with claims for injuries that occur on or after July 1, 1999, the maximum amount that the Department of Labor and Industries may pay, or order a self-insurer to pay, for an injured worker's vocational rehabilitation benefits in a 52-week period is increased from

\$3,000 to \$4,000. (The new limit also applies if a second year of benefits is authorized.)

The expenditure limit does not apply to the injured worker's transportation costs.

The department is required to conduct a cost-benefit analysis of the benefit increase, including an examination of benefit utilization and vocational results. The analysis must be reported to the Workers' Compensation Advisory Committee and the Legislature by November 1, 2001.

RULES AUTHORITY: The bill does not contain provisions addressing the rule making powers of an agency.

FISCAL NOTE: Requested February 9, 1999.

EFFECTIVE DATE: The bill contains an emergency clause and takes effect July 1, 1999.