

SENATE BILL REPORT

EHB 1894

As Reported By Senate Committee On:
Labor & Workforce Development, March 30, 1999

Title: An act relating to industrial insurance benefit errors.

Brief Description: Correcting industrial insurance benefit errors.

Sponsors: Representative Conway.

Brief History:

Committee Activity: Labor & Workforce Development: 3/25/99, 3/30/99 [DP].

SENATE COMMITTEE ON LABOR & WORKFORCE DEVELOPMENT

Majority Report: Do pass.

Signed by Senators Fairley, Chair; Franklin, Vice Chair; Hochstatter, Kline, Oke and Wojahn.

Staff: Jill Reinmuth (786-7452)

Background: State law provides that the Department of Labor and Industries or a self-insurer may recover industrial insurance benefits overpaid because of clerical error, mistake of identity, innocent misrepresentation, or other similar circumstances. The department or the self-insurer must make a claim for the benefits overpaid within one year or the claim is deemed waived. The director of the department may waive, in whole or in part, the amount of the claim where the recovery would be against equity and good conscience.

State law does not address benefits underpaid because of a mistake. The injured worker must request reconsideration of an order by the department or appeal an order to the Board of Industrial Insurance Appeals within 60 days. If reconsideration is not requested or the appeal is not filed within 60 days, the order is final and binding.

Summary of Bill: An injured worker may request an adjustment of benefits when the department or a self-insurer fails to pay benefits because of clerical error, mistake of identity, or innocent misrepresentation. The injured worker must request the adjustments of benefits within one year or the claim is deemed waived. The injured worker may not seek an adjustment of benefits because of adjudicator error.

Appropriation: None.

Fiscal Note: Requested on March 16, 1999.

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

Testimony For: Current law allows for corrections of clerical errors that cause overpayments, but not for those that cause underpayments. This bill would address this anomaly.

Testimony Against: None.

Testified: PRO: Michael Temple, Washington State Trial Lawyers Association; Clif Finch, Association of Washington Business; Robert Stern, Washington State Labor Council.