
Commerce & Labor Committee

HB 1611

Brief Description: Requiring payment of industrial insurance benefits during reconsideration or appeal.

Sponsors: Representatives Conway, Wood and Kenney.

Brief Summary of Bill

- Requires time-loss and medical benefits to continue while an employer's request for reconsideration or appeal of an order granting these benefits to an injured worker is pending.

Hearing Date: 2/17/03

Staff: Chris Cordes (786-7103).

Background:

The Industrial Insurance Act (Act) permits employers or workers to contest orders issued by the Department of Labor and Industries (Department). Aggrieved parties may appeal directly to the Board of Industrial Insurance Appeals (Board). The parties also may, before appealing a departmental order to the Board, request reconsideration by the Department.

The Act does not require the payment of benefits during reconsideration or appeal, but allows the Department to adopt policies regarding the payment of benefits while an appeal is pending at the Board. The Department's written policy generally does not require the payment of time-loss benefits while an employer's appeal is pending unless the issue under appeal does not involve the payment of time-loss benefits or the allowance or reopening of the claim, or unless the employer's appeal is unfounded. The Department's policy states that it is intended to avoid unnecessary Department recoupment costs when an appeal is resolved in favor of the employer. If the Department pays benefits, all parties to the appeal are notified and the benefits are subject to recoupment.

If a worker is overpaid benefits, the Department will begin collection action on the overpayment order unless the overpayment is being deducted from ongoing time-loss.

Summary of Bill:

Injured workers must continue to receive time-loss and medical benefits ordered by the Department while the order, at the request of the employer, is under reconsideration by the Department or under appeal at the Board.

The benefits are subject to repayment and recoupment if determined to be erroneously granted.

Rules Authority: The bill does not contain provisions addressing the rule-making powers of an agency.

Appropriation: None.

Fiscal Note: Requested on February 11, 2003.

Effective Date: The bill contains an emergency clause and takes effect immediately.