

# SENATE BILL REPORT

## SSB 5237

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As Passed Senate, March 14, 2005

**Title:** An act relating to mandatory electronic data reporting under Title 51 RCW for workers' compensation self-insurers.

**Brief Description:** Requiring mandatory electronic data reporting under Title 51 RCW for workers' compensation self-insurers.

**Sponsors:** Senate Committee on Labor, Commerce, Research & Development (originally sponsored by Senators Keiser, Kohl-Welles, Parlette, Honeyford, Prentice and Shin; by request of Department of Labor & Industries).

**Brief History:**

**Committee Activity:** Labor, Commerce, Research & Development: 2/7/05, 2/14/05 [DPS].  
Passed Senate: 3/14/05, 47-0.

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### SENATE COMMITTEE ON LABOR, COMMERCE, RESEARCH & DEVELOPMENT

**Majority Report:** That Substitute Senate Bill No. 5237 be substituted therefor, and the substitute bill do pass.

Signed by Senators Kohl-Welles, Chair; Franklin, Vice Chair; Parlette, Ranking Minority Member; Hewitt, Honeyford and Keiser.

**Staff:** Alison Mendiola (786-7483)

**Background:** Industrial insurance is a no-fault state workers compensation program that provides medical and partial wage replacement benefits to covered workers who are injured on the job or who develop an occupational disease. Employers must insure with the state fund administered by the Department of Labor and Industries (L&I), or if qualified, may self-insure. School districts, educational school districts, and hospitals may self-insure.

Self-insurers provide the same level of benefits that are provided to injured workers under the state funded workers compensation program.

To be certified as a self-insurer, the employer must meet specific statutory criteria. Self-insurers manage most aspects of their injured worker claims and are required to report various claims actions to L&I. The information obtained by L&I is kept confidential, for the most part.

Self-insurers pay assessments to L&I to cover L&I's administrative costs of regulating self-insurance and for an insolvency trust fund.

Self-insurers are subject to penalties by L&I for failing to file required reports, and are subject to decertification in certain circumstances.

**Summary of Bill:** L&I must establish an electronic reporting system for self-insured employers to use when submitting specified industrial insurance claim data to L&I. Though the information reported is confidential, L&I may publish aggregated claims data that do not contain personal identifiers.

Beginning July 1, 2008:

- self-insured employers will be required to submit data electronically to L&I, and electronic submittal will be a requirement to maintain and qualify for self-insurance status; and
- if a self-insurer fails to comply with the electronic submittal requirement, the self insurer will be subject to penalties.

L&I must adopt rules to administer the self-insurer electronic data program.

**Appropriation:** None.

**Fiscal Note:** Available.

**Committee/Commission/Task Force Created:** No.

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

**Testimony For:** This bill started as a request from the self-insurers. The electronic format would not require any new information to be reported, but rather just a different medium for reporting. Any costs associated with this change would be borne by the self-insurers. Submitting data electronically will assist with audits, benefits all stakeholders, and will enable the agency to provide data more easily.

**Testimony Against:** None.

**Who Testified:** PRO: Vickie Kennedy, Department of Labor and Industries; Dave Kaplan, WA Self-Insurers Association.