



RULE-MAKING ORDER PERMANENT RULE ONLY

CR-103P (December 2017) (Implements RCW 34.05.360)

CODE REVISER USE ONLY

OFFICE OF THE CODE REVISER
STATE OF WASHINGTON
FILED

DATE: November 30, 2021
TIME: 3:30 PM

WSR 21-24-077

Agency: Department of Social and Health Services, Economic Services Administration, Division of Child Support

Effective date of rule:

Permanent Rules

- 31 days after filing.
- Other (specify) (If less than 31 days after filing, a specific finding under RCW 34.05.380(3) is required and should be stated below)

Any other findings required by other provisions of law as precondition to adoption or effectiveness of rule?

- Yes No If Yes, explain:

Purpose: The Division of Child Support (DCS) is enacting WAC 388-14A-4900 – *Insurers must report claim information to the division of child support and withhold payments if directed.*

Beginning January 1, 2022, insurers will be required to report insurance claims to DCS under RCW 26.23.037. This permanent rule will ensure that insurers provide the necessary information under the law for these insurance intercept actions.

Citation of rules affected by this order:

New: WAC 388-14A-4900
 Repealed: n/a
 Amended: n/a
 Suspended: n/a

Statutory authority for adoption: RCW 26.23.037, RCW 26.23.110, RCW 74.08.090, RCW 74.20A.055

Other authority: n/a

PERMANENT RULE (Including Expedited Rule Making)

Adopted under notice filed as WSR 21-21-045 on October 14, 2021 (date).

Describe any changes other than editing from proposed to adopted version: Adding clarifying language that a claim is deemed open when a claimant is identified and that an insurer fax number is only required if one exists. These changes were requested by representatives of the insurance industry that will be directly impacted by the rule.

If a preliminary cost-benefit analysis was prepared under RCW 34.05.328, a final cost-benefit analysis is available by contacting:

Name:
 Address:
 Phone:
 Fax:
 TTY:
 Email:
 Web site:
 Other:

**Note: If any category is left blank, it will be calculated as zero.
No descriptive text.**

**Count by whole WAC sections only, from the WAC number through the history note.
A section may be counted in more than one category.**

The number of sections adopted in order to comply with:

Federal statute:	New	___	Amended	___	Repealed	___
Federal rules or standards:	New	___	Amended	___	Repealed	___
Recently enacted state statutes:	New	<u>1</u>	Amended	___	Repealed	___

The number of sections adopted at the request of a nongovernmental entity:

New	___	Amended	___	Repealed	___
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The number of sections adopted on the agency's own initiative:

New	1	Amended	___	Repealed	___
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The number of sections adopted in order to clarify, streamline, or reform agency procedures:

New	<u>1</u>	Amended	___	Repealed	___
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The number of sections adopted using:

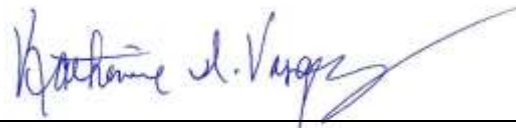
Negotiated rule making:	New	___	Amended	___	Repealed	___
Pilot rule making:	New	___	Amended	___	Repealed	___
Other alternative rule making:	New	<u>1</u>	Amended	___	Repealed	___

Date Adopted: November 30, 2021

Name: Katherine I. Vasquez

Title: DSHS Rules Coordinator

Signature:



NEW SECTION

WAC 388-14A-4900 Insurers must report claim information to the division of child support and withhold payments if directed. (1) Insurers must report certain insurance claims to the division of child support. Within 10 days after opening a tort liability claim for bodily injury or wrongful death, a workers' compensation claim, or a claim under a policy of life insurance, including an annuity, the insurer must report sufficient information to the division of child support to enable it to verify whether the claimant or other beneficiary owes child support. A claim is deemed opened when an insurer has sufficient information to:

- (a) Identify the claimant;
- (b) Determine that the claimant is entitled to payment of the insurance claim proceeds; and
- (c) Make such payment. In the case of a claim that will be paid through periodic payments, the insurer must only report the claim before issuing the initial payment.

(2) The information reporting requirements are satisfied so long as the insurer provides minimum identifying information. Minimum identifying information about the claimant includes:

- (a) The claimant's full name;
- (b) The claimant's Social Security number, or if that is unavailable, the claimant's physical address and date of birth;
- (c) The insurer's name;
- (d) The insurer's claims department address for lien receipt;
- (e) The insurer's claim number in the proper format for identification of the claim;
- (f) The insurer's claim date of loss;
- (g) The adjustor's name;
- (h) The adjustor's telephone number;
- (i) The adjustor's email address; and
- (j) The insurer's fax number for receiving lien notices, if one exists.

(3) Insurers can report information:

- (a) To the federal office of child support enforcement or the child support lien network;
- (b) Through an insurance claim data collection organization, which submits the required information to the federal office of child support enforcement, the child support lien network, or the division of child support within the timeframes and in the manner required by law; or
- (c) To the division of child support special collections unit in writing or electronically, if the insurer does not have the capability to report through the above methods.

(4) Upon receipt of claims information, the division of child support will determine whether a child support debt exists. If so, the division of child support will issue a notice to the insurer to withhold payment and remit to the division of child support. An insurer is not required to remit payment to the division of child support if the notice issued is received after the insurer has disbursed payment on the claim.

(5) The division of child support will give any lien, claim, or demand for reasonable claim-related attorneys' fees, property damage, and medical costs priority over any withholding of payment. These

costs must be final costs after all reductions have been pursued with interested parties.