

# House Bill 2840

Sponsored by Representative OLSON (at the request of Chiropractic Association of Oregon)

## SUMMARY

The following summary is not prepared by the sponsors of the measure and is not a part of the body thereof subject to consideration by the Legislative Assembly. It is an editor's brief statement of the essential features of the measure **as introduced**.

Modifies period of treatment and number of patient visits for which chiropractor may serve as attending physician in workers' compensation claim. Authorizes chiropractor to serve as primary care physician for injured worker enrolled in managed care plan. Allows worker who becomes subject to managed care organization contract to continue to treat with chiropractor under certain circumstances.

## A BILL FOR AN ACT

1  
2 Relating to provision of medical services in workers' compensation claim; amending ORS 656.005,  
3 656.245 and 656.260.

4 **Be It Enacted by the People of the State of Oregon:**

5 **SECTION 1.** ORS 656.005 is amended to read:

6 656.005. (1) "Average weekly wage" means the Oregon average weekly wage in covered em-  
7 ployment, as determined by the Employment Department, for the last quarter of the calendar year  
8 preceding the fiscal year in which the injury occurred.

9 (2) "Beneficiary" means an injured worker, and the husband, wife, child or dependent of a  
10 worker, who is entitled to receive payments under this chapter. "Beneficiary" does not include:

11 (a) A spouse of an injured worker living in a state of abandonment for more than one year at  
12 the time of the injury or subsequently. A spouse who has lived separate and apart from the worker  
13 for a period of two years and who has not during that time received or attempted by process of law  
14 to collect funds for support or maintenance is considered living in a state of abandonment.

15 (b) A person who intentionally causes the compensable injury to or death of an injured worker.

16 (3) "Board" means the Workers' Compensation Board.

17 (4) "Carrier-insured employer" means an employer who provides workers' compensation cover-  
18 age with a guaranty contract insurer.

19 (5) "Child" includes a posthumous child, a child legally adopted prior to the injury, a child to-  
20 ward whom the worker stands in loco parentis, an illegitimate child and a stepchild, if such  
21 stepchild was, at the time of the injury, a member of the worker's family and substantially dependent  
22 upon the worker for support. An invalid dependent child is a child, for purposes of benefits, re-  
23 gardless of age, so long as the child was an invalid at the time of the accident and thereafter re-  
24 mains an invalid substantially dependent on the worker for support. For purposes of this chapter,  
25 an invalid dependent child is considered to be a child under 18 years of age.

26 (6) "Claim" means a written request for compensation from a subject worker or someone on the  
27 worker's behalf, or any compensable injury of which a subject employer has notice or knowledge.

28 (7)(a) A "compensable injury" is an accidental injury, or accidental injury to prosthetic appli-  
29 ances, arising out of and in the course of employment requiring medical services or resulting in  
30 disability or death; an injury is accidental if the result is an accident, whether or not due to acci-

**NOTE:** Matter in **boldfaced** type in an amended section is new; matter *[italic and bracketed]* is existing law to be omitted.  
New sections are in **boldfaced** type.

1 dental means, if it is established by medical evidence supported by objective findings, subject to the  
 2 following limitations:

3 (A) No injury or disease is compensable as a consequence of a compensable injury unless the  
 4 compensable injury is the major contributing cause of the consequential condition.

5 (B) If an otherwise compensable injury combines at any time with a preexisting condition to  
 6 cause or prolong disability or a need for treatment, the combined condition is compensable only if,  
 7 so long as and to the extent that the otherwise compensable injury is the major contributing cause  
 8 of the disability of the combined condition or the major contributing cause of the need for treatment  
 9 of the combined condition.

10 (b) "Compensable injury" does not include:

11 (A) Injury to any active participant in assaults or combats which are not connected to the job  
 12 assignment and which amount to a deviation from customary duties;

13 (B) Injury incurred while engaging in or performing, or as the result of engaging in or per-  
 14 forming, any recreational or social activities primarily for the worker's personal pleasure; or

15 (C) Injury the major contributing cause of which is demonstrated to be by a preponderance of  
 16 the evidence the injured worker's consumption of alcoholic beverages or the unlawful consumption  
 17 of any controlled substance, unless the employer permitted, encouraged or had actual knowledge of  
 18 such consumption.

19 (c) A "disabling compensable injury" is an injury which entitles the worker to compensation for  
 20 disability or death. An injury is not disabling if no temporary benefits are due and payable, unless  
 21 there is a reasonable expectation that permanent disability will result from the injury.

22 (d) A "nondisabling compensable injury" is any injury which requires medical services only.

23 (8) "Compensation" includes all benefits, including medical services, provided for a compensable  
 24 injury to a subject worker or the worker's beneficiaries by an insurer or self-insured employer pur-  
 25 suant to this chapter.

26 (9) "Department" means the Department of Consumer and Business Services.

27 (10) "Dependent" means any of the following-named relatives of a worker whose death results  
 28 from any injury: Father, mother, grandfather, grandmother, stepfather, stepmother, grandson,  
 29 granddaughter, brother, sister, half sister, half brother, niece or nephew, who at the time of the  
 30 accident, are dependent in whole or in part for their support upon the earnings of the worker.  
 31 Unless otherwise provided by treaty, aliens not residing within the United States at the time of the  
 32 accident other than father, mother, husband, wife or children are not included within the term "de-  
 33 pendent."

34 (11) "Director" means the Director of the Department of Consumer and Business Services.

35 (12)(a) "Doctor" or "physician" means a person duly licensed to practice one or more of the  
 36 healing arts in any country or in any state, territory or possession of the United States within the  
 37 limits of the license of the licentiate.

38 (b) Except as otherwise provided for workers subject to a managed care contract, "attending  
 39 physician" means a doctor or physician who is primarily responsible for the treatment of a worker's  
 40 compensable injury and who is:

41 (A) A medical doctor or doctor of osteopathy licensed under ORS 677.100 to 677.228 by the  
 42 Board of Medical Examiners for the State of Oregon or an oral and maxillofacial surgeon licensed  
 43 by the Oregon Board of Dentistry or a similarly licensed doctor in any country or in any state,  
 44 territory or possession of the United States; or

45 (B) For a period of [30] **60** days from the date of first visit on the initial claim or for [12] **24**

1 visits, whichever first occurs, a doctor or physician licensed by the State Board of Chiropractic  
2 Examiners for the State of Oregon or a similarly licensed doctor or physician in any country or in  
3 any state, territory or possession of the United States.

4 (c) "Consulting physician" means a doctor or physician who examines a worker or the worker's  
5 medical record to advise the attending physician or nurse practitioner authorized to provide  
6 compensable medical services under ORS 656.245 regarding treatment of a worker's compensable  
7 injury.

8 (13)(a) "Employer" means any person, including receiver, administrator, executor or trustee, and  
9 the state, state agencies, counties, municipal corporations, school districts and other public corpo-  
10 rations or political subdivisions, who contracts to pay a remuneration for and secures the right to  
11 direct and control the services of any person.

12 (b) Notwithstanding paragraph (a) of this subsection, for purposes of this chapter, the client of  
13 a temporary service provider is not the employer of temporary workers provided by the temporary  
14 service provider.

15 (c) As used in paragraph (b) of this subsection, "temporary service provider" has the meaning  
16 for that term provided in ORS 656.850.

17 (14) "Guaranty contract insurer" and "insurer" mean the State Accident Insurance Fund Cor-  
18 poration or an insurer authorized under ORS chapter 731 to transact workers' compensation insur-  
19 ance in this state or an assigned claims agent selected by the director under ORS 656.054.

20 (15) "Consumer and Business Services Fund" means the fund created by ORS 705.145.

21 (16) "Invalid" means one who is physically or mentally incapacitated from earning a livelihood.

22 (17) "Medically stationary" means that no further material improvement would reasonably be  
23 expected from medical treatment, or the passage of time.

24 (18) "Noncomplying employer" means a subject employer who has failed to comply with ORS  
25 656.017.

26 (19) "Objective findings" in support of medical evidence are verifiable indications of injury or  
27 disease that may include, but are not limited to, range of motion, atrophy, muscle strength and  
28 palpable muscle spasm. "Objective findings" does not include physical findings or subjective re-  
29 sponses to physical examinations that are not reproducible, measurable or observable.

30 (20) "Palliative care" means medical service rendered to reduce or moderate temporarily the  
31 intensity of an otherwise stable medical condition, but does not include those medical services ren-  
32 dered to diagnose, heal or permanently alleviate or eliminate a medical condition.

33 (21) "Party" means a claimant for compensation, the employer of the injured worker at the time  
34 of injury and the insurer, if any, of such employer.

35 (22) "Payroll" means a record of wages payable to workers for their services and includes  
36 commissions, value of exchange labor and the reasonable value of board, rent, housing, lodging or  
37 similar advantage received from the employer. However, "payroll" does not include overtime pay,  
38 vacation pay, bonus pay, tips, amounts payable under profit-sharing agreements or bonus payments  
39 to reward workers for safe working practices. Bonus pay is limited to payments which are not an-  
40 ticipated under the contract of employment and which are paid at the sole discretion of the em-  
41 ployer. The exclusion from payroll of bonus payments to reward workers for safe working practices  
42 is only for the purpose of calculations based on payroll to determine premium for workers' com-  
43 pensation insurance, and does not affect any other calculation or determination based on payroll for  
44 the purposes of this chapter.

45 (23) "Person" includes partnership, joint venture, association, limited liability company and

1 corporation.

2 (24)(a) "Preexisting condition" means, for all industrial injury claims, any injury, disease, con-  
3 genital abnormality, personality disorder or similar condition that contributes to disability or need  
4 for treatment, provided that:

5 (A) Except for claims in which a preexisting condition is arthritis or an arthritic condition, the  
6 worker has been diagnosed with such condition, or has obtained medical services for the symptoms  
7 of the condition regardless of diagnosis; and

8 (B)(i) In claims for an initial injury or omitted condition, the diagnosis or treatment precedes  
9 the initial injury;

10 (ii) In claims for a new medical condition, the diagnosis or treatment precedes the onset of the  
11 new medical condition; or

12 (iii) In claims for a worsening pursuant to ORS 656.273 or 656.278, the diagnosis or treatment  
13 precedes the onset of the worsened condition.

14 (b) "Preexisting condition" means, for all occupational disease claims, any injury, disease, con-  
15 genital abnormality, personality disorder or similar condition that contributes to disability or need  
16 for treatment and that precedes the onset of the claimed occupational disease, or precedes a claim  
17 for worsening in such claims pursuant to ORS 656.273 or 656.278.

18 (c) For the purposes of industrial injury claims, a condition does not contribute to disability or  
19 need for treatment if the condition merely renders the worker more susceptible to the injury.

20 (25) "Self-insured employer" means an employer or group of employers certified under ORS  
21 656.430 as meeting the qualifications set out by ORS 656.407.

22 (26) "State Accident Insurance Fund Corporation" and "corporation" mean the State Accident  
23 Insurance Fund Corporation created under ORS 656.752.

24 (27) "Subject employer" means an employer who is subject to this chapter as provided by ORS  
25 656.023.

26 (28) "Subject worker" means a worker who is subject to this chapter as provided by ORS  
27 656.027.

28 (29) "Wages" means the money rate at which the service rendered is recompensed under the  
29 contract of hiring in force at the time of the accident, including reasonable value of board, rent,  
30 housing, lodging or similar advantage received from the employer, and includes the amount of tips  
31 required to be reported by the employer pursuant to section 6053 of the Internal Revenue Code of  
32 1954, as amended, and the regulations promulgated pursuant thereto, or the amount of actual tips  
33 reported, whichever amount is greater. The State Accident Insurance Fund Corporation may estab-  
34 lish assumed minimum and maximum wages, in conformity with recognized insurance principles, at  
35 which any worker shall be carried upon the payroll of the employer for the purpose of determining  
36 the premium of the employer.

37 (30) "Worker" means any person, including a minor whether lawfully or unlawfully employed,  
38 who engages to furnish services for a remuneration, subject to the direction and control of an em-  
39 ployer and includes salaried, elected and appointed officials of the state, state agencies, counties,  
40 cities, school districts and other public corporations, but does not include any person whose services  
41 are performed as an inmate or ward of a state institution or as part of the eligibility requirements  
42 for a general or public assistance grant. For the purpose of determining entitlement to temporary  
43 disability benefits or permanent total disability benefits under this chapter, "worker" does not in-  
44 clude a person who has withdrawn from the workforce during the period for which such benefits are  
45 sought.

1 (31) "Independent contractor" has the meaning for that term provided in ORS 670.600.

2 **SECTION 2.** ORS 656.005, as amended by section 2, chapter 811, Oregon Laws 2003, is amended  
3 to read:

4 656.005. (1) "Average weekly wage" means the Oregon average weekly wage in covered em-  
5 ployment, as determined by the Employment Department, for the last quarter of the calendar year  
6 preceding the fiscal year in which the injury occurred.

7 (2) "Beneficiary" means an injured worker, and the husband, wife, child or dependent of a  
8 worker, who is entitled to receive payments under this chapter. "Beneficiary" does not include:

9 (a) A spouse of an injured worker living in a state of abandonment for more than one year at  
10 the time of the injury or subsequently. A spouse who has lived separate and apart from the worker  
11 for a period of two years and who has not during that time received or attempted by process of law  
12 to collect funds for support or maintenance is considered living in a state of abandonment.

13 (b) A person who intentionally causes the compensable injury to or death of an injured worker.

14 (3) "Board" means the Workers' Compensation Board.

15 (4) "Carrier-insured employer" means an employer who provides workers' compensation cover-  
16 age with a guaranty contract insurer.

17 (5) "Child" includes a posthumous child, a child legally adopted prior to the injury, a child to-  
18 ward whom the worker stands in loco parentis, an illegitimate child and a stepchild, if such  
19 stepchild was, at the time of the injury, a member of the worker's family and substantially dependent  
20 upon the worker for support. An invalid dependent child is a child, for purposes of benefits, re-  
21 gardless of age, so long as the child was an invalid at the time of the accident and thereafter re-  
22 mains an invalid substantially dependent on the worker for support. For purposes of this chapter,  
23 an invalid dependent child is considered to be a child under 18 years of age.

24 (6) "Claim" means a written request for compensation from a subject worker or someone on the  
25 worker's behalf, or any compensable injury of which a subject employer has notice or knowledge.

26 (7)(a) A "compensable injury" is an accidental injury, or accidental injury to prosthetic appli-  
27 ances, arising out of and in the course of employment requiring medical services or resulting in  
28 disability or death; an injury is accidental if the result is an accident, whether or not due to acci-  
29 dental means, if it is established by medical evidence supported by objective findings, subject to the  
30 following limitations:

31 (A) No injury or disease is compensable as a consequence of a compensable injury unless the  
32 compensable injury is the major contributing cause of the consequential condition.

33 (B) If an otherwise compensable injury combines at any time with a preexisting condition to  
34 cause or prolong disability or a need for treatment, the combined condition is compensable only if,  
35 so long as and to the extent that the otherwise compensable injury is the major contributing cause  
36 of the disability of the combined condition or the major contributing cause of the need for treatment  
37 of the combined condition.

38 (b) "Compensable injury" does not include:

39 (A) Injury to any active participant in assaults or combats which are not connected to the job  
40 assignment and which amount to a deviation from customary duties;

41 (B) Injury incurred while engaging in or performing, or as the result of engaging in or per-  
42 forming, any recreational or social activities primarily for the worker's personal pleasure; or

43 (C) Injury the major contributing cause of which is demonstrated to be by a preponderance of  
44 the evidence the injured worker's consumption of alcoholic beverages or the unlawful consumption  
45 of any controlled substance, unless the employer permitted, encouraged or had actual knowledge of

1 such consumption.

2 (c) A “disabling compensable injury” is an injury which entitles the worker to compensation for  
3 disability or death. An injury is not disabling if no temporary benefits are due and payable, unless  
4 there is a reasonable expectation that permanent disability will result from the injury.

5 (d) A “nondisabling compensable injury” is any injury which requires medical services only.

6 (8) “Compensation” includes all benefits, including medical services, provided for a compensable  
7 injury to a subject worker or the worker’s beneficiaries by an insurer or self-insured employer pur-  
8 suant to this chapter.

9 (9) “Department” means the Department of Consumer and Business Services.

10 (10) “Dependent” means any of the following-named relatives of a worker whose death results  
11 from any injury: Father, mother, grandfather, grandmother, stepfather, stepmother, grandson,  
12 granddaughter, brother, sister, half sister, half brother, niece or nephew, who at the time of the  
13 accident, are dependent in whole or in part for their support upon the earnings of the worker.  
14 Unless otherwise provided by treaty, aliens not residing within the United States at the time of the  
15 accident other than father, mother, husband, wife or children are not included within the term “de-  
16 pendent.”

17 (11) “Director” means the Director of the Department of Consumer and Business Services.

18 (12)(a) “Doctor” or “physician” means a person duly licensed to practice one or more of the  
19 healing arts in any country or in any state, territory or possession of the United States within the  
20 limits of the license of the licentiate.

21 (b) Except as otherwise provided for workers subject to a managed care contract, “attending  
22 physician” means a doctor or physician who is primarily responsible for the treatment of a worker’s  
23 compensable injury and who is:

24 (A) A medical doctor or doctor of osteopathy licensed under ORS 677.100 to 677.228 by the  
25 Board of Medical Examiners for the State of Oregon or an oral and maxillofacial surgeon licensed  
26 by the Oregon Board of Dentistry or a similarly licensed doctor in any country or in any state,  
27 territory or possession of the United States; or

28 (B) For a period of [30] 60 days from the date of first visit on the initial claim or for [12] 24  
29 visits, whichever first occurs, a doctor or physician licensed by the State Board of Chiropractic  
30 Examiners for the State of Oregon or a similarly licensed doctor or physician in any country or in  
31 any state, territory or possession of the United States.

32 (c) “Consulting physician” means a doctor or physician who examines a worker or the worker’s  
33 medical record to advise the attending physician regarding treatment of a worker’s compensable  
34 injury.

35 (13)(a) “Employer” means any person, including receiver, administrator, executor or trustee, and  
36 the state, state agencies, counties, municipal corporations, school districts and other public corpo-  
37 rations or political subdivisions, who contracts to pay a remuneration for and secures the right to  
38 direct and control the services of any person.

39 (b) Notwithstanding paragraph (a) of this subsection, for purposes of this chapter, the client of  
40 a temporary service provider is not the employer of temporary workers provided by the temporary  
41 service provider.

42 (c) As used in paragraph (b) of this subsection, “temporary service provider” has the meaning  
43 for that term provided in ORS 656.850.

44 (14) “Guaranty contract insurer” and “insurer” mean the State Accident Insurance Fund Cor-  
45 poration or an insurer authorized under ORS chapter 731 to transact workers’ compensation insur-

1    ance in this state or an assigned claims agent selected by the director under ORS 656.054.

2       (15) "Consumer and Business Services Fund" means the fund created by ORS 705.145.

3       (16) "Invalid" means one who is physically or mentally incapacitated from earning a livelihood.

4       (17) "Medically stationary" means that no further material improvement would reasonably be  
5    expected from medical treatment, or the passage of time.

6       (18) "Noncomplying employer" means a subject employer who has failed to comply with ORS  
7    656.017.

8       (19) "Objective findings" in support of medical evidence are verifiable indications of injury or  
9    disease that may include, but are not limited to, range of motion, atrophy, muscle strength and  
10   palpable muscle spasm. "Objective findings" does not include physical findings or subjective re-  
11   sponses to physical examinations that are not reproducible, measurable or observable.

12       (20) "Palliative care" means medical service rendered to reduce or moderate temporarily the  
13   intensity of an otherwise stable medical condition, but does not include those medical services ren-  
14   dered to diagnose, heal or permanently alleviate or eliminate a medical condition.

15       (21) "Party" means a claimant for compensation, the employer of the injured worker at the time  
16   of injury and the insurer, if any, of such employer.

17       (22) "Payroll" means a record of wages payable to workers for their services and includes  
18   commissions, value of exchange labor and the reasonable value of board, rent, housing, lodging or  
19   similar advantage received from the employer. However, "payroll" does not include overtime pay,  
20   vacation pay, bonus pay, tips, amounts payable under profit-sharing agreements or bonus payments  
21   to reward workers for safe working practices. Bonus pay is limited to payments which are not an-  
22   ticipated under the contract of employment and which are paid at the sole discretion of the em-  
23   ployer. The exclusion from payroll of bonus payments to reward workers for safe working practices  
24   is only for the purpose of calculations based on payroll to determine premium for workers' com-  
25   pensation insurance, and does not affect any other calculation or determination based on payroll for  
26   the purposes of this chapter.

27       (23) "Person" includes partnership, joint venture, association, limited liability company and  
28   corporation.

29       (24)(a) "Preexisting condition" means, for all industrial injury claims, any injury, disease, con-  
30   genital abnormality, personality disorder or similar condition that contributes to disability or need  
31   for treatment, provided that:

32       (A) Except for claims in which a preexisting condition is arthritis or an arthritic condition, the  
33   worker has been diagnosed with such condition, or has obtained medical services for the symptoms  
34   of the condition regardless of diagnosis; and

35       (B)(i) In claims for an initial injury or omitted condition, the diagnosis or treatment precedes  
36   the initial injury;

37       (ii) In claims for a new medical condition, the diagnosis or treatment precedes the onset of the  
38   new medical condition; or

39       (iii) In claims for a worsening pursuant to ORS 656.273 or 656.278, the diagnosis or treatment  
40   precedes the onset of the worsened condition.

41       (b) "Preexisting condition" means, for all occupational disease claims, any injury, disease, con-  
42   genital abnormality, personality disorder or similar condition that contributes to disability or need  
43   for treatment and that precedes the onset of the claimed occupational disease, or precedes a claim  
44   for worsening in such claims pursuant to ORS 656.273 or 656.278.

45       (c) For the purposes of industrial injury claims, a condition does not contribute to disability or

1 need for treatment if the condition merely renders the worker more susceptible to the injury.

2 (25) "Self-insured employer" means an employer or group of employers certified under ORS  
3 656.430 as meeting the qualifications set out by ORS 656.407.

4 (26) "State Accident Insurance Fund Corporation" and "corporation" mean the State Accident  
5 Insurance Fund Corporation created under ORS 656.752.

6 (27) "Subject employer" means an employer who is subject to this chapter as provided by ORS  
7 656.023.

8 (28) "Subject worker" means a worker who is subject to this chapter as provided by ORS  
9 656.027.

10 (29) "Wages" means the money rate at which the service rendered is recompensed under the  
11 contract of hiring in force at the time of the accident, including reasonable value of board, rent,  
12 housing, lodging or similar advantage received from the employer, and includes the amount of tips  
13 required to be reported by the employer pursuant to section 6053 of the Internal Revenue Code of  
14 1954, as amended, and the regulations promulgated pursuant thereto, or the amount of actual tips  
15 reported, whichever amount is greater. The State Accident Insurance Fund Corporation may estab-  
16 lish assumed minimum and maximum wages, in conformity with recognized insurance principles, at  
17 which any worker shall be carried upon the payroll of the employer for the purpose of determining  
18 the premium of the employer.

19 (30) "Worker" means any person, including a minor whether lawfully or unlawfully employed,  
20 who engages to furnish services for a remuneration, subject to the direction and control of an em-  
21 ployer and includes salaried, elected and appointed officials of the state, state agencies, counties,  
22 cities, school districts and other public corporations, but does not include any person whose services  
23 are performed as an inmate or ward of a state institution or as part of the eligibility requirements  
24 for a general or public assistance grant. For the purpose of determining entitlement to temporary  
25 disability benefits or permanent total disability benefits under this chapter, "worker" does not in-  
26 clude a person who has withdrawn from the workforce during the period for which such benefits are  
27 sought.

28 (31) "Independent contractor" has the meaning for that term provided in ORS 670.600.

29 **SECTION 3.** ORS 656.260 is amended to read:

30 656.260. (1) Any health care provider or group of medical service providers may make written  
31 application to the Director of the Department of Consumer and Business Services to become certi-  
32 fied to provide managed care to injured workers for injuries and diseases compensable under this  
33 chapter. However, nothing in this section authorizes an organization that is formed, owned or op-  
34 erated by an insurer or employer other than a health care provider to become certified to provide  
35 managed care.

36 (2) Each application for certification shall be accompanied by a reasonable fee prescribed by the  
37 director. A certificate is valid for such period as the director may prescribe unless sooner revoked  
38 or suspended.

39 (3) Application for certification shall be made in such form and manner and shall set forth such  
40 information regarding the proposed plan for providing services as the director may prescribe. The  
41 information shall include, but not be limited to:

42 (a) A list of the names of all individuals who will provide services under the managed care plan,  
43 together with appropriate evidence of compliance with any licensing or certification requirements  
44 for that individual to practice in this state.

45 (b) A description of the times, places and manner of providing services under the plan.



1 (c) A description of the times, places and manner of providing other related optional services  
 2 the applicants wish to provide.

3 (d) Satisfactory evidence of ability to comply with any financial requirements to insure delivery  
 4 of service in accordance with the plan which the director may prescribe.

5 (4) The director shall certify a health care provider or group of medical service providers to  
 6 provide managed care under a plan if the director finds that the plan:

7 (a) Proposes to provide services that meet quality, continuity and other treatment standards  
 8 reviewed and approved by the director and will provide all medical and health care services that  
 9 may be required by this chapter in a manner that is timely, effective and convenient for the worker.

10 (b) Subject to any other provision of law, does not discriminate against or exclude from partic-  
 11 ipation in the plan any category of medical service providers and includes an adequate number of  
 12 each category of medical service providers to give workers adequate flexibility to choose medical  
 13 service providers from among those individuals who provide services under the plan. However,  
 14 nothing in the requirements of this paragraph shall affect the provisions of ORS 441.055 relating to  
 15 the granting of medical staff privileges.

16 (c) Provides appropriate financial incentives to reduce service costs and utilization without  
 17 sacrificing the quality of service.

18 (d) Provides adequate methods of peer review, service utilization review, quality assurance,  
 19 contract review and dispute resolution to ensure appropriate treatment or to prevent inappropriate  
 20 or excessive treatment, to exclude from participation in the plan those individuals who violate these  
 21 treatment standards and to provide for the resolution of such medical disputes as the director con-  
 22 siders appropriate. A majority of the members of each peer review, quality assurance, service utili-  
 23 zation and contract review committee shall be physicians licensed to practice medicine by the Board  
 24 of Medical Examiners. As used in this paragraph:

25 (A) "Peer review" means evaluation or review of the performance of colleagues by a panel with  
 26 similar types and degrees of expertise. Peer review requires participation of at least three physicians  
 27 prior to final determination.

28 (B) "Service utilization review" means evaluation and determination of the reasonableness, ne-  
 29 cessity and appropriateness of a worker's use of medical care resources and the provision of any  
 30 needed assistance to clinician or member, or both, to ensure appropriate use of resources. "Service  
 31 utilization review" includes prior authorization, concurrent review, retrospective review, discharge  
 32 planning and case management activities.

33 (C) "Quality assurance" means activities to safeguard or improve the quality of medical care  
 34 by assessing the quality of care or service and taking action to improve it.

35 (D) "Dispute resolution" includes the resolution of disputes arising under peer review, service  
 36 utilization review and quality assurance activities between insurers, self-insured employers, workers  
 37 and medical and health care service providers, as required under the certified plan.

38 (E) "Contract review" means the methods and processes whereby the managed care organization  
 39 monitors and enforces its contracts with participating providers for matters other than matters  
 40 enumerated in subparagraphs (A), (B) and (C) of this paragraph.

41 (e) Provides a program involving cooperative efforts by the workers, the employer and the  
 42 managed care organizations to promote workplace health and safety consultative and other services  
 43 and early return to work for injured workers.

44 (f) Provides a timely and accurate method of reporting to the director necessary information  
 45 regarding medical and health care service cost and utilization to enable the director to determine

1 the effectiveness of the plan.

2 (g) Authorizes workers to receive compensable medical treatment from a primary care physician  
3 who is not a member of the managed care organization, but who maintains the worker's medical  
4 records and with whom the worker has a documented history of treatment, if that primary care  
5 physician agrees to refer the worker to the managed care organization for any specialized treatment,  
6 including physical therapy, to be furnished by another provider that the worker may require and if  
7 that primary care physician agrees to comply with all the rules, terms and conditions regarding  
8 services performed by the managed care organization. Nothing in this paragraph is intended to limit  
9 the worker's right to change primary care physicians prior to the filing of a workers' compensation  
10 claim. As used in this paragraph, "primary care physician" means a physician who is qualified to  
11 be an attending physician referred to in ORS 656.005 (12)(b)(A) **or (B)** and who is a family practi-  
12 tioner, a general practitioner, [or] an internal medicine practitioner **or a doctor or physician li-**  
13 **icensed by the State Board of Chiropractic Examiners.**

14 (h) Provides a written explanation for denial of participation in the managed care organization  
15 plan to any licensed health care provider that has been denied participation in the managed care  
16 organization plan.

17 (i) Does not prohibit the injured worker's attending physician from advocating for medical ser-  
18 vices and temporary disability benefits for the injured worker that are supported by the medical  
19 record.

20 (j) Complies with any other requirement the director determines is necessary to provide quality  
21 medical services and health care to injured workers.

22 (5) The director shall refuse to certify or may revoke or suspend the certification of any health  
23 care provider or group of medical service providers to provide managed care if the director finds  
24 that:

25 (a) The plan for providing medical or health care services fails to meet the requirements of this  
26 section.

27 (b) Service under the plan is not being provided in accordance with the terms of a certified plan.

28 (6) Any issue concerning the provision of medical services to injured workers subject to a  
29 managed care contract and service utilization review, quality assurance, dispute resolution, contract  
30 review and peer review activities as well as authorization of medical services to be provided by  
31 other than an attending physician pursuant to ORS 656.245 (2)(b) shall be subject to review by the  
32 director or the director's designated representatives. The decision of the director is subject to re-  
33 view under ORS 656.704. Data generated by or received in connection with these activities, includ-  
34 ing written reports, notes or records of any such activities, or of any review thereof, shall be  
35 confidential, and shall not be disclosed except as considered necessary by the director in the ad-  
36 ministration of this chapter. The director may report professional misconduct to an appropriate li-  
37 censing board.

38 (7) No data generated by service utilization review, quality assurance, dispute resolution or peer  
39 review activities and no physician profiles or data used to create physician profiles pursuant to this  
40 section or a review thereof shall be used in any action, suit or proceeding except to the extent  
41 considered necessary by the director in the administration of this chapter. The confidentiality pro-  
42 visions of this section shall not apply in any action, suit or proceeding arising out of or related to  
43 a contract between a managed care organization and a health care provider whose confidentiality  
44 is protected by this section.

45 (8) A person participating in service utilization review, quality assurance, dispute resolution or

1 peer review activities pursuant to this section shall not be examined as to any communication made  
2 in the course of such activities or the findings thereof, nor shall any person be subject to an action  
3 for civil damages for affirmative actions taken or statements made in good faith.

4 (9) No person who participates in forming consortiums, collectively negotiating fees or otherwise  
5 solicits or enters into contracts in a good faith effort to provide medical or health care services  
6 according to the provisions of this section shall be examined or subject to administrative or civil  
7 liability regarding any such participation except pursuant to the director's active supervision of  
8 such activities and the managed care organization. Before engaging in such activities, the person  
9 shall provide notice of intent to the director in a form prescribed by the director.

10 (10) The provisions of this section shall not affect the confidentiality or admission in evidence  
11 of a claimant's medical treatment records.

12 (11) In consultation with the committees referred to in ORS 656.790 and 656.794, the director  
13 shall adopt such rules as may be necessary to carry out the provisions of this section.

14 (12) As used in this section, ORS 656.245, 656.248 and 656.327, "medical service provider" means  
15 a person duly licensed to practice one or more of the healing arts in any country or in any state  
16 or territory or possession of the United States.

17 (13) Notwithstanding ORS 656.005 (12) or subsection (4)(b) of this section, a managed care or-  
18 ganization contract may designate any medical service provider or category of providers as attend-  
19 ing physicians.

20 (14) If a worker, insurer, self-insured employer or the attending physician is dissatisfied with an  
21 action of the managed care organization regarding the provision of medical services pursuant to this  
22 chapter, peer review, service utilization review or quality assurance activities, that person or entity  
23 must first apply to the director for administrative review of the matter before requesting a hearing.  
24 Such application must be made not later than the 60th day after the date the managed care organ-  
25 ization has completed and issued its final decision.

26 (15) Upon a request for administrative review, the director shall create a documentary record  
27 sufficient for judicial review. The director shall complete administrative review and issue a pro-  
28 posed order within a reasonable time. The proposed order of the director issued pursuant to this  
29 section shall become final and not subject to further review unless a written request for a hearing  
30 is filed with the director within 30 days of the mailing of the order to all parties.

31 (16) At the contested case hearing, the order may be modified only if it is not supported by  
32 substantial evidence in the record or reflects an error of law. No new medical evidence or issues  
33 shall be admitted. The dispute may also be remanded to the managed care organization for further  
34 evidence taking, correction or other necessary action if the Administrative Law Judge or director  
35 determines the record has been improperly, incompletely or otherwise insufficiently developed. De-  
36 cisions by the director regarding medical disputes are subject to review under ORS 656.704.

37 (17) Any person who is dissatisfied with an action of a managed care organization other than  
38 regarding the provision of medical services pursuant to this chapter, peer review, service utilization  
39 review or quality assurance activities may request review under ORS 656.704.

40 (18) Notwithstanding any other provision of law, original jurisdiction over contract review dis-  
41 putes is with the director. The director may resolve the matter by issuing an order subject to re-  
42 view under ORS 656.704, or the director may determine that the matter in dispute would be best  
43 addressed in another forum and so inform the parties.

44 (19) The director shall conduct such investigations, audits and other administrative oversight in  
45 regard to managed care as the director deems necessary to carry out the purposes of this chapter.

**SECTION 4.** ORS 656.245 is amended to read:

656.245. (1)(a) For every compensable injury, the insurer or the self-insured employer shall cause to be provided medical services for conditions caused in material part by the injury for such period as the nature of the injury or the process of the recovery requires, subject to the limitations in ORS 656.225, including such medical services as may be required after a determination of permanent disability. In addition, for consequential and combined conditions described in ORS 656.005 (7), the insurer or the self-insured employer shall cause to be provided only those medical services directed to medical conditions caused in major part by the injury.

(b) Compensable medical services shall include medical, surgical, hospital, nursing, ambulances and other related services, and drugs, medicine, crutches and prosthetic appliances, braces and supports and where necessary, physical restorative services. A pharmacist or dispensing physician shall dispense generic drugs to the worker in accordance with ORS 689.515. The duty to provide such medical services continues for the life of the worker.

(c) Notwithstanding any other provision of this chapter, medical services after the worker's condition is medically stationary are not compensable except for the following:

(A) Services provided to a worker who has been determined to be permanently and totally disabled.

(B) Prescription medications.

(C) Services necessary to administer prescription medication or monitor the administration of prescription medication.

(D) Prosthetic devices, braces and supports.

(E) Services necessary to monitor the status, replacement or repair of prosthetic devices, braces and supports.

(F) Services provided pursuant to an accepted claim for aggravation under ORS 656.273.

(G) Services provided pursuant to an order issued under ORS 656.278.

(H) Services that are necessary to diagnose the worker's condition.

(I) Life-preserving modalities similar to insulin therapy, dialysis and transfusions.

(J) With the approval of the insurer or self-insured employer, palliative care that the worker's attending physician referred to in ORS 656.005 (12)(b)(A) **or** (B) prescribes and that is necessary to enable the worker to continue current employment or a vocational training program. If the insurer or self-insured employer does not approve, the attending physician or the worker may request approval from the Director of the Department of Consumer and Business Services for such treatment. The director may order a medical review by a physician or panel of physicians pursuant to ORS 656.327 (3) to aid in the review of such treatment. The decision of the director is subject to review under ORS 656.704.

(K) With the approval of the director, curative care arising from a generally recognized, non-experimental advance in medical science since the worker's claim was closed that is highly likely to improve the worker's condition and that is otherwise justified by the circumstances of the claim. The decision of the director is subject to review under ORS 656.704.

(L) Curative care provided to a worker to stabilize a temporary and acute waxing and waning of symptoms of the worker's condition.

(d) When the medically stationary date in a disabling claim is established by the insurer or self-insured employer and is not based on the findings of the attending physician, the insurer or self-insured employer is responsible for reimbursement to affected medical service providers for otherwise compensable services rendered until the insurer or self-insured employer provides written

1 notice to the attending physician of the worker's medically stationary status.

2 (e) Except for services provided under a managed care contract, out-of-pocket expense re-  
 3 imbursement to receive care from the attending physician or nurse practitioner authorized to pro-  
 4 vide compensable medical services under this section shall not exceed the amount required to seek  
 5 care from an appropriate nurse practitioner or attending physician of the same specialty who is in  
 6 a medical community geographically closer to the worker's home. For the purposes of this para-  
 7 graph, all physicians and nurse practitioners within a metropolitan area are considered to be part  
 8 of the same medical community.

9 (2)(a) The worker may choose an attending doctor, physician or nurse practitioner within the  
 10 State of Oregon. The worker may choose the initial attending physician or nurse practitioner and  
 11 may subsequently change attending physician or nurse practitioner two times without approval from  
 12 the director. If the worker thereafter selects another attending physician or nurse practitioner, the  
 13 insurer or self-insured employer may require the director's approval of the selection and, if re-  
 14 quested, the director shall determine with the advice of one or more physicians, whether the se-  
 15 lection by the worker shall be approved. The decision of the director is subject to review under  
 16 ORS 656.704. The worker also may choose an attending doctor or physician in another country or  
 17 in any state or territory or possession of the United States with the prior approval of the insurer  
 18 or self-insured employer.

19 (b) A medical service provider who is not a member of a managed care organization is subject  
 20 to the following provisions:

21 (A) A medical service provider who is not qualified to be an attending physician may provide  
 22 compensable medical service to an injured worker for a period of 30 days from the date of injury  
 23 or occupational disease or for 12 visits, whichever first occurs, without the authorization of an at-  
 24 tending physician. Thereafter, medical service provided to an injured worker without the written  
 25 authorization of an attending physician is not compensable.

26 (B) A medical service provider who is not an attending physician cannot authorize the payment  
 27 of temporary disability compensation. Except as otherwise provided in this chapter, only the at-  
 28 tending physician at the time of claim closure may make findings regarding the worker's impairment  
 29 for the purpose of evaluating the worker's disability.

30 (C) Notwithstanding subparagraphs (A) and (B) of this paragraph, a nurse practitioner licensed  
 31 under ORS 678.375 to 678.390 may:

32 (i) Provide compensable medical services for 90 days from the date of the first visit on the claim;

33 (ii) Authorize the payment of temporary disability benefits for a period not to exceed 60 days  
 34 from the date of the first visit on the initial claim; and

35 (iii) When an injured worker treating with a nurse practitioner authorized to provide  
 36 compensable services under this section becomes medically stationary within the 90-day period in  
 37 which the nurse practitioner is authorized to treat the injured worker, shall refer the injured worker  
 38 to a physician qualified to be an attending physician as defined in ORS 656.005 for the purpose of  
 39 making findings regarding the worker's impairment for the purpose of evaluating the worker's disa-  
 40 bility. If a worker returns to the nurse practitioner after initial claim closure for evaluation of a  
 41 possible worsening of the worker's condition, the nurse practitioner shall refer the worker to an  
 42 attending physician and the insurer shall compensate the nurse practitioner for the examination  
 43 performed.

44 (3) Notwithstanding any other provision of this chapter, the director, by rule, upon the advice  
 45 of the committee created by ORS 656.794 and upon the advice of the professional licensing boards

1 of practitioners affected by the rule, may exclude from compensability any medical treatment the  
 2 director finds to be unscientific, unproven, outmoded or experimental. The decision of the director  
 3 is subject to review under ORS 656.704.

4 (4) Notwithstanding subsection (2)(a) of this section, when a self-insured employer or the insurer  
 5 of an employer contracts with a managed care organization certified pursuant to ORS 656.260 for  
 6 medical services required by this chapter to be provided to injured workers:

7 (a) Those workers who are subject to the contract shall receive medical services in the manner  
 8 prescribed in the contract. Workers subject to the contract include those who are receiving medical  
 9 treatment for an accepted compensable injury or occupational disease, regardless of the date of in-  
 10 jury or medically stationary status, on or after the effective date of the contract. If the managed  
 11 care organization determines that the change in provider would be medically detrimental to the  
 12 worker, the worker shall not become subject to the contract until the worker is found to be med-  
 13 ically stationary, the worker changes physicians or nurse practitioners, or the managed care or-  
 14 ganization determines that the change in provider is no longer medically detrimental, whichever  
 15 event first occurs. A worker becomes subject to the contract upon the worker's receipt of actual  
 16 notice of the worker's enrollment in the managed care organization, or upon the third day after the  
 17 notice was sent by regular mail by the insurer or self-insured employer, whichever event first oc-  
 18 curs. A worker shall not be subject to a contract after it expires or terminates without renewal. A  
 19 worker may continue to treat with the attending physician, **doctor or physician licensed by the**  
 20 **State Board of Chiropractic Examiners** or nurse practitioner authorized to provide compensable  
 21 medical services under this section under an expired or terminated managed care organization con-  
 22 tract if the **doctor**, physician or nurse practitioner agrees to comply with the rules, terms and  
 23 conditions regarding services performed under any subsequent managed care organization contract  
 24 to which the worker is subject. A worker shall not be subject to a contract if the worker's primary  
 25 residence is more than 100 miles outside the managed care organization's certified geographical  
 26 area. Each such contract must comply with the certification standards provided in ORS 656.260.  
 27 However, a worker may receive immediate emergency medical treatment that is compensable from  
 28 a medical service provider who is not a member of the managed care organization. Insurers or  
 29 self-insured employers who contract with a managed care organization for medical services shall  
 30 give notice to the workers of eligible medical service providers and such other information regard-  
 31 ing the contract and manner of receiving medical services as the director may prescribe.  
 32 Notwithstanding any provision of law or rule to the contrary, a worker of a noncomplying employer  
 33 is considered to be subject to a contract between the State Accident Insurance Fund Corporation  
 34 as a processing agent or the assigned claims agent and a managed care organization.

35 (b)(A) For initial or aggravation claims filed after June 7, 1995, the insurer or self-insured em-  
 36 ployer may require an injured worker, on a case-by-case basis, immediately to receive medical ser-  
 37 vices from the managed care organization.

38 (B) If the insurer or self-insured employer gives notice that the worker is required to receive  
 39 treatment from the managed care organization, the insurer or self-insured employer must guarantee  
 40 that any reasonable and necessary services so received, that are not otherwise covered by health  
 41 insurance, will be paid as provided in ORS 656.248, even if the claim is denied, until the worker  
 42 receives actual notice of the denial or until three days after the denial is mailed, whichever event  
 43 first occurs. The worker may elect to receive care from a primary care physician, [or] nurse prac-  
 44 titioner **or a doctor or physician licensed by the State Board of Chiropractic Examiners** au-  
 45 thorized to provide compensable medical services under this section who agrees to the conditions

1 of ORS 656.260 (4)(g). However, guarantee of payment is not required by the insurer or self-insured  
2 employer if this election is made.

3 (C) If the insurer or self-insured employer does not give notice that the worker is required to  
4 receive treatment from the managed care organization, the insurer or self-insured employer is under  
5 no obligation to pay for services received by the worker unless the claim is later accepted.

6 (D) If the claim is denied, the worker may receive medical services after the date of denial from  
7 sources other than the managed care organization until the denial is reversed. Reasonable and  
8 necessary medical services received from sources other than the managed care organization after  
9 the date of claim denial must be paid as provided in ORS 656.248 by the insurer or self-insured em-  
10 ployer if the claim is finally determined to be compensable.

11 (5) Notwithstanding any other provision of this chapter, the director, by rule, shall authorize  
12 physician assistants licensed by the Board of Medical Examiners for the State of Oregon who prac-  
13 tice in areas served by Type A or Type B rural hospitals described in ORS 442.470 to authorize the  
14 payment of temporary disability compensation for injured workers for a period not to exceed 30 days  
15 from the date of the first visit on the claim. In addition, the director, by rule, may authorize such  
16 assistants who practice in areas served by a Type C rural hospital described in ORS 442.470 to au-  
17 thorize such payment.

18 (6) A nurse practitioner licensed under ORS 678.375 to 678.390 who is not a member of the  
19 managed care organization, is authorized to provide the same level of services as a primary care  
20 physician as established by ORS 656.260 (4), if at the time the worker is enrolled in the managed  
21 care organization, the nurse practitioner maintains the worker's medical records and with whom the  
22 worker has a documented history of treatment, if that nurse practitioner agrees to refer the worker  
23 to the managed care organization for any specialized treatment, including physical therapy, to be  
24 furnished by another provider that the worker may require and if that nurse practitioner agrees to  
25 comply with all the rules, terms and conditions regarding services performed by the managed care  
26 organization.

27 (7) Subject to the provisions of ORS 656.704, if a claim for medical services is disapproved, the  
28 injured worker, insurer or self-insured employer may request administrative review by the director  
29 pursuant to ORS 656.260 or 656.327.

30 **SECTION 5.** ORS 656.245, as amended by section 4, chapter 811, Oregon Laws 2003, and section  
31 4, chapter 26, Oregon Laws 2005, is amended to read:

32 656.245. (1)(a) For every compensable injury, the insurer or the self-insured employer shall cause  
33 to be provided medical services for conditions caused in material part by the injury for such period  
34 as the nature of the injury or the process of the recovery requires, subject to the limitations in ORS  
35 656.225, including such medical services as may be required after a determination of permanent  
36 disability. In addition, for consequential and combined conditions described in ORS 656.005 (7), the  
37 insurer or the self-insured employer shall cause to be provided only those medical services directed  
38 to medical conditions caused in major part by the injury.

39 (b) Compensable medical services shall include medical, surgical, hospital, nursing, ambulances  
40 and other related services, and drugs, medicine, crutches and prosthetic appliances, braces and  
41 supports and where necessary, physical restorative services. A pharmacist or dispensing physician  
42 shall dispense generic drugs to the worker in accordance with ORS 689.515. The duty to provide  
43 such medical services continues for the life of the worker.

44 (c) Notwithstanding any other provision of this chapter, medical services after the worker's  
45 condition is medically stationary are not compensable except for the following:

1 (A) Services provided to a worker who has been determined to be permanently and totally dis-  
2 abled.

3 (B) Prescription medications.

4 (C) Services necessary to administer prescription medication or monitor the administration of  
5 prescription medication.

6 (D) Prosthetic devices, braces and supports.

7 (E) Services necessary to monitor the status, replacement or repair of prosthetic devices, braces  
8 and supports.

9 (F) Services provided pursuant to an accepted claim for aggravation under ORS 656.273.

10 (G) Services provided pursuant to an order issued under ORS 656.278.

11 (H) Services that are necessary to diagnose the worker's condition.

12 (I) Life-preserving modalities similar to insulin therapy, dialysis and transfusions.

13 (J) With the approval of the insurer or self-insured employer, palliative care that the worker's  
14 attending physician referred to in ORS 656.005 (12)(b)(A) **or** (B) prescribes and that is necessary to  
15 enable the worker to continue current employment or a vocational training program. If the insurer  
16 or self-insured employer does not approve, the attending physician or the worker may request ap-  
17 proval from the Director of the Department of Consumer and Business Services for such treatment.  
18 The director may order a medical review by a physician or panel of physicians pursuant to ORS  
19 656.327 (3) to aid in the review of such treatment. The decision of the director is subject to review  
20 under ORS 656.704.

21 (K) With the approval of the director, curative care arising from a generally recognized, non-  
22 experimental advance in medical science since the worker's claim was closed that is highly likely  
23 to improve the worker's condition and that is otherwise justified by the circumstances of the claim.  
24 The decision of the director is subject to review under ORS 656.704.

25 (L) Curative care provided to a worker to stabilize a temporary and acute waxing and waning  
26 of symptoms of the worker's condition.

27 (d) When the medically stationary date in a disabling claim is established by the insurer or  
28 self-insured employer and is not based on the findings of the attending physician, the insurer or  
29 self-insured employer is responsible for reimbursement to affected medical service providers for  
30 otherwise compensable services rendered until the insurer or self-insured employer provides written  
31 notice to the attending physician of the worker's medically stationary status.

32 (e) Except for services provided under a managed care contract, out-of-pocket expense re-  
33 imbursement to receive care from the attending physician shall not exceed the amount required to  
34 seek care from an appropriate attending physician of the same specialty who is in a medical com-  
35 munity geographically closer to the worker's home. For the purposes of this paragraph, all physi-  
36 cians within a metropolitan area are considered to be part of the same medical community.

37 (2)(a) The worker may choose an attending doctor or physician within the State of Oregon. The  
38 worker may choose the initial attending physician and may subsequently change attending physician  
39 two times without approval from the director. If the worker thereafter selects another attending  
40 physician, the insurer or self-insured employer may require the director's approval of the selection  
41 and, if requested, the director shall determine with the advice of one or more physicians, whether  
42 the selection by the worker shall be approved. The decision of the director is subject to review un-  
43 der ORS 656.704. The worker also may choose an attending doctor or physician in another country  
44 or in any state or territory or possession of the United States with the prior approval of the insurer  
45 or self-insured employer.



1 (b) A medical service provider who is not a member of a managed care organization is subject  
 2 to the following provisions:

3 (A) A medical service provider who is not qualified to be an attending physician may provide  
 4 compensable medical service to an injured worker for a period of 30 days from the date of injury  
 5 or occupational disease or for 12 visits, whichever first occurs, without the authorization of an at-  
 6 tending physician. Thereafter, medical service provided to an injured worker without the written  
 7 authorization of an attending physician is not compensable.

8 (B) A medical service provider who is not an attending physician cannot authorize the payment  
 9 of temporary disability compensation. Except as otherwise provided in this chapter, only the at-  
 10 tending physician at the time of claim closure may make findings regarding the worker's impairment  
 11 for the purpose of evaluating the worker's disability.

12 (3) Notwithstanding any other provision of this chapter, the director, by rule, upon the advice  
 13 of the committee created by ORS 656.794 and upon the advice of the professional licensing boards  
 14 of practitioners affected by the rule, may exclude from compensability any medical treatment the  
 15 director finds to be unscientific, unproven, outmoded or experimental. The decision of the director  
 16 is subject to review under ORS 656.704.

17 (4) Notwithstanding subsection (2)(a) of this section, when a self-insured employer or the insurer  
 18 of an employer contracts with a managed care organization certified pursuant to ORS 656.260 for  
 19 medical services required by this chapter to be provided to injured workers:

20 (a) Those workers who are subject to the contract shall receive medical services in the manner  
 21 prescribed in the contract. Workers subject to the contract include those who are receiving medical  
 22 treatment for an accepted compensable injury or occupational disease, regardless of the date of in-  
 23 jury or medically stationary status, on or after the effective date of the contract. If the managed  
 24 care organization determines that the change in provider would be medically detrimental to the  
 25 worker, the worker shall not become subject to the contract until the worker is found to be med-  
 26 ically stationary, the worker changes physicians or the managed care organization determines that  
 27 the change in provider is no longer medically detrimental, whichever event first occurs. A worker  
 28 becomes subject to the contract upon the worker's receipt of actual notice of the worker's enroll-  
 29 ment in the managed care organization, or upon the third day after the notice was sent by regular  
 30 mail by the insurer or self-insured employer, whichever event first occurs. A worker shall not be  
 31 subject to a contract after it expires or terminates without renewal. A worker may continue to treat  
 32 with the attending physician **or doctor or physician licensed by the State Board of Chiropractic**  
 33 **Examiners** under an expired or terminated managed care organization contract if the physician  
 34 agrees to comply with the rules, terms and conditions regarding services performed under any sub-  
 35 sequent managed care organization contract to which the worker is subject. A worker shall not be  
 36 subject to a contract if the worker's primary residence is more than 100 miles outside the managed  
 37 care organization's certified geographical area. Each such contract must comply with the certif-  
 38 ication standards provided in ORS 656.260. However, a worker may receive immediate emergency  
 39 medical treatment that is compensable from a medical service provider who is not a member of the  
 40 managed care organization. Insurers or self-insured employers who contract with a managed care  
 41 organization for medical services shall give notice to the workers of eligible medical service pro-  
 42 viders and such other information regarding the contract and manner of receiving medical services  
 43 as the director may prescribe. Notwithstanding any provision of law or rule to the contrary, a  
 44 worker of a noncomplying employer is considered to be subject to a contract between the State  
 45 Accident Insurance Fund Corporation as a processing agent or the assigned claims agent and a

1 managed care organization.

2 (b)(A) For initial or aggravation claims filed after June 7, 1995, the insurer or self-insured em-  
 3 ployer may require an injured worker, on a case-by-case basis, immediately to receive medical ser-  
 4 vices from the managed care organization.

5 (B) If the insurer or self-insured employer gives notice that the worker is required to receive  
 6 treatment from the managed care organization, the insurer or self-insured employer must guarantee  
 7 that any reasonable and necessary services so received, that are not otherwise covered by health  
 8 insurance, will be paid as provided in ORS 656.248, even if the claim is denied, until the worker  
 9 receives actual notice of the denial or until three days after the denial is mailed, whichever event  
 10 first occurs. The worker may elect to receive care from a primary care physician **or a doctor or**  
 11 **physician licensed by the State Board of Chiropractic Examiners** who agrees to the conditions  
 12 of ORS 656.260 (4)(g). However, guarantee of payment is not required by the insurer or self-insured  
 13 employer if this election is made.

14 (C) If the insurer or self-insured employer does not give notice that the worker is required to  
 15 receive treatment from the managed care organization, the insurer or self-insured employer is under  
 16 no obligation to pay for services received by the worker unless the claim is later accepted.

17 (D) If the claim is denied, the worker may receive medical services after the date of denial from  
 18 sources other than the managed care organization until the denial is reversed. Reasonable and  
 19 necessary medical services received from sources other than the managed care organization after  
 20 the date of claim denial must be paid as provided in ORS 656.248 by the insurer or self-insured em-  
 21 ployer if the claim is finally determined to be compensable.

22 (5) Notwithstanding any other provision of this chapter, the director, by rule, shall authorize  
 23 nurse practitioners certified by the Oregon State Board of Nursing and physician assistants licensed  
 24 by the Board of Medical Examiners for the State of Oregon who practice in areas served by Type  
 25 A or Type B rural hospitals described in ORS 442.470 to authorize the payment of temporary disa-  
 26 bility compensation for injured workers for a period not to exceed 30 days from the date of the first  
 27 visit on the claim. In addition, the director, by rule, may authorize such practitioners and assistants  
 28 who practice in areas served by a Type C rural hospital described in ORS 442.470 to authorize such  
 29 payment.

30 (6) Subject to the provisions of ORS 656.704, if a claim for medical services is disapproved, the  
 31 injured worker, insurer or self-insured employer may request administrative review by the director  
 32 pursuant to ORS 656.260 or 656.327.

33 \_\_\_\_\_