

OREGON TRIAL LAWYERS ASSOCIATION

319 SW Washington Street, #607

Portland, OR 97204

www.oregontriallawyers.org

503-799-1017

Testimony in Support of SB 780 Before the Senate Workforce Committee

Arthur Towers

March 8, 2017

Thank you for the opportunity to testify before you today. Our members fight on behalf of injured workers. They seek to help injured workers get the medical care and services needed to get back to work, and to make sure that injured workers are properly compensated.

SB 780 makes improvements to the Independent Medical Exam process used in workers' comp. The current system establishes perverse financial incentives for insurance companies and physicians alike. The system creates a financial incentive for insurers to pick IME doctors with a particular medical philosophy that they favor. Similarly, there is financial advantage for IME doctors who share the perspective of the insurance companies. SB 780 tweaks the system to remove those incentives and create a system with more perceived fairness. I want to be clear in my testimony that I don't want to cast blanket aspersions against the motives of the industry or of physicians. I simply want to point out that the incentives and perceptions exist to lead some to believe that the current system could lead to unfair outcomes.

So SB 780 is an important step towards improving confidence in the system and encouraging a broader group of physicians to participate.

We do have a couple concerns with the bill as written. We would urge that the new language page 2, line 24 be removed. This has to do with worker-requested medical exams. The current system is imperfect. This change would make matters somewhat worse for workers. For the reasons mentioned above, the pool of doctors available for WRMEs is perceived to be tilted against workers. Limiting worker choice at this point in time would be a step in the wrong direction. After the rest of

the bill is enacted, it is easy to envision a time in the future when the change contemplated in this section would be advantageous.

Finally, we urge caution in the effort to encourage out-of-state IMEs. One of the important parts of the process is for the worker to be able to cross-examine the IME physician face-to-face. The capacity to do so would be reduced if there is an influx of out-of-state IMEs. We should work to encourage in-state physicians to participate in the IME process. SB 780 with the changes we propose could do so.

We urge a YES vote on SB 780.