



To: Chair Holvey & Members of the House Committee on Business and Labor

From: Bill Cross & Nellie deVries, Oregon Self-Insurers Association

Date: February 6, 2017

Re: Amending HB 2337

---

The Oregon Self-Insurers Association (OSIA) is a non-profit, trade association comprised of certified self-insured and large-deductible employers as well as firms and organizations in business to provide services to the self-insured community.

HB 2337 proposes to increase workers' compensation benefits to permanent total disability (PTD) and permanent partial disability (PPD). OSIA respectfully requests the adoption of the -1 amendment to HB 2337 which would remove the permanent partial disability (PPD) benefit increases. Removing the PPD portion with the -1 amendment significantly lowers the cost of HB 2337 according to the National Council on Compensation Insurance (NCCI) which estimated the annual cost of including the PPD at \$17 million.

As written, the bill proposes the following changes:

- Increase the basis for determining PPD impairment benefit from 100% of the State Average Weekly Wage (SAWW) to 133% of the SAWW.
- Increase the minimum PTD weekly benefit from the lesser of \$50 or 90% of the workers' wage to 33% of the SAWW.
- Increase the maximum PTD weekly benefits from 100% of the SAWW to 133% of the SAWW.<sup>1</sup>

Under current Oregon statutes, injured workers eligible for PTD benefits receive 66 2/3% of their weekly wage, subject to a maximum of 100% of the SAWW and a minimum of either 90% of their weekly wage or \$50, whichever is less. HB 2337 would raise the minimum benefit to 33% of the SAWW and would also increase the maximum benefit cap to 133% of the SAWW. The benefit rate would remain at 66 2/3% of the worker's pre-injury average weekly wage, subject to the specified minimum and maximum boundaries.<sup>2</sup>

With the adoption of the -1 amendment, only the PTD increase above would be implemented. OSIA respectfully requests your **support** of the -1 amendment to HB 2337 to increase the workers' compensation benefits for permanent total disability (PTD).

---

<sup>1</sup> Analysis of Legislative Concept 697, National Council on Compensation Insurance (November 8, 2016).

<sup>2</sup> Id.