

HB 3022 STAFF MEASURE SUMMARY

House Committee On Business and Labor

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Meeting Dates: 2/27, 4/8

WHAT THE MEASURE DOES:

Makes numerous changes to workers' compensation statutes. Clarifies definition of "compensable injury" and "preexisting condition." Eliminates provision that a compensable injury combined with a preexisting condition will not be treated as a compensable injury unless it is the major contributing cause of the disability or need for treatment. Provides that existing condition may not be considered if consideration reduces or eliminates workers' rights or benefits. Removes burden on worker to prove that employment conditions were major contributing cause of combined condition and worsening of disease. Eliminates consideration of preexisting conditions when determining major contributing cause of disease. Requires Director of Department of Consumer and Business Services to approve settlements in certain situations. Requires insurer to preauthorize compensable medical services within 14 days after requested by medical provider. Requires written notice to injured worker in specified situations throughout claims process. Leaves appointment of medical arbiter to Director's discretion. Allows injured worker to submit evidence to rebut arbiter's findings. Provides that workers alleged wage is correct if employer fails to provide wage records in response to injured worker's request. Entitles worker to examination or opinion by expert of their choice when insurer procures independent medical examination or opinion. Applies to claims and causes of action existing or arising on or after effective date, regardless of date of injury or date claim is presented. Declares emergency, effective on passage.

ISSUES DISCUSSED:

- Overview of Management-Labor Advisory Committee's process for reviewing legislation
- Denied requests for diagnostic testing
- Difficulty managing claim when injury combined with preexisting condition

EFFECT OF AMENDMENT:

No amendment.

BACKGROUND:

Workers' compensation insurance provides medical treatment and lost wages to employees (or their dependents) in the case of employment-related accidents or illnesses. In Oregon, workers' compensation insurance is what is known as "no-fault" insurance – this essentially bypasses the concept of one party or the other being at fault, which in turn eliminates lawsuits arising out of work place injuries or illnesses.

Oregon employers are required to carry workers' compensation insurance or be self-insured. Almost all Oregon employees are covered by workers' compensation, but employees are eligible for benefits whether or not their employers are in compliance with the law. The law specifies the types of employees who are not required to have workers' compensation insurance coverage, including certain corporate officers, partners and family-member business owners, as well as independent contractors. Employers can purchase insurance from the State Accident Insurance Fund (SAIF) Corporation (a publicly owned nonprofit company), from a private insurance company or be self-insured. SAIF has about a 53 percent share of the Oregon workers' compensation insurance market; private insurance companies accounted for about 35 percent of the market. The remaining share of the market is represented by self-insured employers or employer groups.

PRELIMINARY