

SB 801 -2 STAFF MEASURE SUMMARY

Senate Committee On Labor and Business

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Meeting Dates: 3/23, 4/8

WHAT THE MEASURE DOES:

Directs Department of Consumer and Business Services to study issues relating to workers' compensation claims processing and report to appropriate committee or interim committee of Legislative Assembly on or before September 15, 2022. Sunsets January 2, 2023.

ISSUES DISCUSSED:

- Potential difference in outcomes between the State Accident Insurance Fund Corporation (SAIF), private insurers, and self-insured employers
- Regulation of self-insured employers
- Potential constitutional hurdles

EFFECT OF AMENDMENT:

-2 Replaces the measure. Establishes Task Force on Workers' Compensation Claim Processing Procedures. Establishes membership of task force. Requires task force to examine workers' compensation claims processing procedures that insurers and self-insured employers use in order to answer and develop conclusions and recommendations concerning: whether disparities exist in the outcome of workers' compensation claims; whether workers feel comfortable submitting workers' compensation claims to employers for processing and confident that the claim will be considered and processed appropriately; whether employers, insurers, claims processors, or other actors have made specific efforts to dissuade workers from filing workers' compensation claims and if those efforts were successful; and any other reasonably related issues. Establishes powers and duties of task force. Requires task force to report to interim committee of the Legislative Assembly related to workers' compensation no later than July 1, 2022. Requires Department of Consumer and Business Services to provide staff support to task force and all agencies of state government to assist the task force in its duties and furnish information and advice to members. Entitles members of the task force who are not members of the Legislative Assembly to compensation or reimbursement for expenses. Repeals measure December 31, 2022. Takes effect on 91st day after *sine die*.

BACKGROUND:

Workers' compensation insurance provides medical treatment and lost wages to employees or their dependents in the case of employment-related accidents or illnesses. Oregon employers are required to carry workers' compensation insurance or be self-insured.

The Workers' Compensation Management-Labor Advisory Committee (MLAC) is composed of ten appointed members and the director of the Department of Consumer and Business Services. Five of the appointed members must represent the interests of subject workers, and the other five represent the interests of subject employers. The committee studies aspects of Oregon's workers' compensation law that the committee determines require consideration and reports to the Legislative Assembly the findings and recommendations it considers appropriate.

Senate Bill 801 with the -2 amendments establishes a task force similar to MLAC to examine the workers' compensation claims process, identify disparities and any efforts to dissuade injured workers from filing claims, and report findings and recommendations to the Legislative Assembly by July 1, 2022. The membership of the task force includes the co-chairs of MLAC and the Director of the Department of Consumer and Business Services.