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# A STRONG VOICE FOR OREGON'S WORKERS

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TO: Chair Smith Warner  
Vice-Chairs Breese-Iverson and Fahey  
Members of the House Rules Committee

FR: Catie Theisen, OR AFL-CIO

RE: Testimony in Support of HB 4138, Injured Worker Parity Bill

February 17, 2022

The Oregon AFL-CIO represents 300,000 workers across the state and is proud to be a voice for all workers in the legislative process.

Oregon's Workers' Compensation system is meant to provide wage replacement and medical coverage for workers who are injured on the job – this includes compensation if the worker experiences permanent loss of physical capacity. Under the current system, a worker's doctor may place work restrictions on the worker – either light duty or no work at all – when a worker is injured on the job. The workers compensation insurer makes regular payments to replace the resulting loss of wages (aka time loss or temporary disability payments). When the doctor says the worker has reached maximum improvement, the entitlement to temporary payments stops, and any further wage loss payments offset future benefits.

However, what we've increasingly seen in the workers' compensation system is that a doctor will conclude *in hindsight* that the worker was medically stationary months before. This enables the workers' compensation insurer to subtract all payments made after the stationary date. Too often, this unexpectedly deprives workers with a serious disability of the funds they were counting on to rebuild their lives. A second problem arises when the insurer fails to notify the worker of deficiencies in the work restrictions until after the deadline for the worker to correct those deficiencies.

HB 4138 addresses these issues by requiring that the workers' comp insurer notify the injured worker when their temporary payments are ending and extends the time period that workers can get backdated work restrictions after the notice has been given. This will allow the worker the ability to correct the issue or plan for this financial change. The bill also protects workers when doctors create an overpayment if they backdate when the worker reached maximum improvement, and gives workers and insurers the same amount of time to discover errors. Finally, for workers who suffer a permanent disability, the bill makes sure that a worker's final payment cannot be reduced by more than half in order to cover an overpayment.

HB 4138 simply creates a fairer system for workers' who have been injured on the job – these workers should have the right to know when their doctor determines when they will not medically improve and be able to financially plan accordingly without facing significant and surprise overpayments. We urge your YES vote on HB 4138.