

Brad Witt, Oregon AFL-CIO

Workers' Compensation Division Overview – Informational

Meeting

Maureen Brock

Introduction of Committee Bills – Work Session

These minutes are in compliance with Senate and House Rules. Only text enclosed in quotation marks reports a speaker's exact words. For complete contents, please refer to the tapes.

TAPE/#	Speaker	Comments
TAPE 4, A		
001	Chair Brown	Call the meeting to order. 8:33 a.m.
008	Rep. Shields	Mentions Martin Luther King Jr., Ms. Pauline Bradford of his district, and the civil rights movement in honor of Martin Luther King, Jr. Day.
022	Chair Brown	Opens the informational meeting.

WORKERS' COMPENSATION DIVISION OVERVIEW - INFORMATIONAL MEETING

024	John Shilts	Manager, Workers' Compensation Division. Reads from testimony (EXHIBIT A) .
120	Shilts	Reads from testimony. Begins with Department of Consumer and Business Services. (EXHIBIT A)
207	Rep. Schaufler	Asks to be provided with the exact language of the physicians' surveys and the results, and if the answers are more than yes or no, he would like to be provided with examples of the positive and negative answers to the questions.

214	Shilts	Affirms that he can provide committee with a copy of the report, which does include specific answers.
219	Rep. Schaufler	Clarifies that he wants the questions that were asked and the results and a sampling of the open-ended questions.
224	Shilts	Asks if the committee wants the questions that were asked of all the physicians or just the Insurer Medical Examinations' (IME) physicians.
229	Rep. Schaufler	Asks how much work it would be to give the committee both.
330	Shilts	States it would not be that much more work to do both.
232	Rep. Holvey	Asks about statistics regarding total claims incidents dropping by 45 percent and if the statistics include workers who are not covered by Workers' Compensation Insurance.
240	Rep. Shields	Explains that the statistics only include workers who file Workers' Compensation claims, and workers who should have been covered by Workers' Compensation but are working for noncompliant employers.
249	Rep. Holvey	Emphasizes that he is trying to figure out if the numbers of independent contractors or 1099 employees who are not covered by Workers' Compensation are included in the statistics. Asks if there is a growth in areas that are not covered by Workers' Compensation
258	Rep. Shields	Indicates that the division does track that rather carefully. States that the division looks at how many noncompliant employer claims exist. Explains that the number of claims has held steady although it does vary from quarter to quarter. Addresses the broader question and talks about non-subject workers. Explains that they have not seen a growth in these areas.

MANAGEMENT LABOR ADVISORY COMMITTEE OVERVIEW - INFORMATIONAL MEETING

299	J.L. Wilson	Co-Chair, Management Labor Advisory Committee (MLAC). Represents National Federation of Independent Business as well. Talks about 1990s Workers' Compensation Reforms and the creation of MLAC. States that he wants to keep Workers'
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Compensation in well-defined parameters . Indicates that MLAC engages in dialogue on total workers' disability awards and vocational rehabilitation. Reports that MLAC has come to an agreement on these issues but has not reached an agreement on IMEs. Mentions the Governor supports what the committee supports. Says that MLAC consists of five management members and five labor.

366 Brad Witt Secretary Treasurer, Oregon AFL-CIO. Member, MLAC. Co-chair, MLAC Subcommittee on IMEs. Mentions that MLAC will be addressing vocational concepts and total permanent disability. Talks about total permanent disability awards. Explains that MLAC made the recommendation that someone who has been awarded permanent disability must have the chance for at least one level of appeals and the worker's condition must show material improvement vocationally or in their medical capacity prior to the reexamination of their case. States that a rescinded award will qualify a worker for rehabilitation. Details how a worker who has had benefits for more than ten year must be approved by the administrative law judge at the Workers' Compensation Board. Recommends that gainful employment is defined as the threshold of the federal poverty level in relation to family members. Asks if committee has any questions about the bills that address total permanent disability.

TAPE 5, A

011 Chair Brown Asks if there are bills that are pending.

012 Witt Affirms that there are. Explains that IMEs have only been through the subcommittee and MLAC has not had a chance to debate them as of yet. Recommends certification for physicians performing IMEs and education for everyone involved in the IME process. Recommends a counseling period with the physician after the IME is preformed. Mentions desire for a complaints process and the implementation of an exit exam. Explains that any complaints that the worker had would go through the Workers' Compensation Division and legitimate claims would be considered during the recertification process. Notes that the committee has heard a "good deal" of testimony from IME doctors who are frustrated because their patients do not come to the IME.

060 Rep. Esquivel Asks if the IME issue is the same one that the Interim Senate Committee on General Government broached. Mentions workers having to travel from Southern Oregon to Portland to get IMEs.

066 Witts Affirms that it is the same issue. Explains that subcommittee has heard a great deal of testimony about the effect of travel on workers. Says that it is the one remaining key topic that the subcommittee has yet to resolve. Indicates that the subcommittee will be recommending to MLAC penalties for those workers who do not show up for examination without advance notice or cause. Offers to answer questions.

WORKERS' COMPENSATION DIVISION OVERVIEW - INFORMATIONAL MEETING

105 Maureen Brock Chair, Workers' Compensation Board. Explains that the board serves as a litigation forum and does not take an active stance on legislation. Says that they receive 9300 requests for hearings every year. Discusses the process requests go through in the division. Offers to answer questions (**EXHIBIT B**).

140 Rep. Holvey States that he has heard many complaints from injured workers about the process of making claims and collecting workers' compensation when that worker has worked for many different companies and has to be "at the whim" of many different insurance companies. Asks if there is any resolution to the dispute when lawyers and insurance companies are trying to determine who is going to pay.

167 Brock Explains that the board does not have any direct control over these issues. Offers to provide Rep. Holvey with the number of cases the board hears in that area. Explains that the process is a policy decision that has been made in Oregon about which insurance company pays.

188 Rep. Holvey Follows up that he would like more ideas about how to solve the problem. Conveys that he is concerned about the worker and the years of examination that the worker must go through with each of the insurance companies.

201 Rep. Schaufler Expresses interest in receiving the numbers about how many people are involved in these types of disputes.

204 Chair Brown Clarifies that the statistics should go to Janet Adkins and then to the entire committee.

207 Brock Confirms that she will get the statistics for the committee.

209 Chair Brown States for the record that Rep. Kitts is an excused absence. Opens work session for purpose of introducing committee bills.

INTRODUCTION OF COMMITTEE BILLS - WORK SESSION

219 Rep. Esquivel **MOTION: Moves LC 1533 AND LC 1534 BE INTRODUCED as committee bills.**

222 **VOTE: 6-0-1**

EXCUSED: 1 – Rep. Kitts

Chair Brown Hearing no objection, declares the motion CARRIED.

230 Adkins Points out that 1533 is at the request of the Funeral Directors' Association and LC 1534 is at the request of the Recreational Vehicle Industries' Association.

235 Chair Brown Closes the work session and adjourns the meeting at 9:19 AM.

EXHIBIT SUMMARY

- A. Workers' Compensation Division, prepared testimony, John Shilts, 12 pp
- B. Workers' Compensation Division, prepared testimony, Maureen Brock, 2 pp
- C. Introductions, LC 1533, staff, 3 pp
- D. Introductions, LC 1534, staff, 2 pp