



Oregon

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Department of Consumer and Business Services

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To: All authorized Oregon workers' compensation insurers

Subject: Proof of coverage law changes coming in 2009

Proof of coverage law changes

Oregon will have a new proof of coverage system for workers' compensation insurance starting July 1, 2009. Insurers will be required to send policy information instead of guaranty contracts to satisfy the proof of coverage law. This change will happen because of legislation enacted by the 2007 Legislature. Every company that writes workers' compensation insurance in Oregon must comply with the new law.

Electronic reporting will be mandatory

The new system will require electronic reporting. The department will use the International Association of Industrial Accident Boards and Commissions (IAIABC) standard data elements as the foundation for the electronic reporting system.

Insurers can use a vendor or report directly to the department. If you currently use a vendor (such as the National Council on Compensation Insurance, Inc. or ISO) for Oregon coverage reporting laws, you should confirm they are planning to meet the new reporting requirements on your behalf. Alternatively, you may develop your own electronic reporting system to send coverage information directly to the department. Direct reporters will be required to meet testing requirements before the law change takes effect. If you have questions about this option, please contact the department as indicated below.

Administrative rules in progress

The department has started the rule making process to implement the law. Draft administrative rules should be completed by July 2008. This will allow about a year to develop the reporting system, conduct tests, and work out any unforeseen problems before the law change takes effect. We plan to adopt final rules by the end of the year, to be effective July 1, 2009.

To participate in the rule making process, please contact Fred Bruyns, rules coordinator, at (503) 947-7717, or send e-mail to fred.h.bruyns@state.or.us.

More information available

More information about the law change and the transition process is located on the department Web site at <http://www.cbs.state.or.us/wcd/communications/sb559.html>.

If you have questions, please contact Cara Filsinger, project manager, (503) 947-7061, or send e-mail to cara.l.filsinger@state.or.us.

John L. Shilts, Administrator
Workers' Compensation Division

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