



Oregon

Theodore R. Kulongoski, Governor

Department of Consumer and Business Services
Workers' Compensation Division
350 Winter Street NE
P.O. Box 14480
Salem, Oregon 97309-0405
1-800-452-0288, 503-947-7810
www.wcd.oregon.gov

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To: Insurers, self-insured employers, and third-party administrators

Subject: Processing a claim upon the death of a worker

Industry Notice

Senate Bill 110 (2009) makes several changes to the benefits available when a worker dies as a result of a job-related injury or illness. It also changes the insurer requirements regarding notices and correspondence. The bill takes effect Jan. 1, 2010.

Some of the changes made by Senate Bill 110 include:

- Increases to the funeral and final disposition benefit for deceased workers, with any unpaid balance being paid to the worker's estate.
- Increases to the benefit for a surviving child, with no parent, that attends higher education.
- Changing the payment requirements of unpaid permanent partial disability benefits when there is no surviving beneficiary.

A new rule also takes effect Jan. 1, 2010, providing direction to insurers regarding what notices and correspondence are applicable following the death of a worker. OAR 436-060-0012 provides:

- (1) If a worker is deceased, regardless of the cause of death, an insurer must address all future notices and correspondence to the worker's estate or qualified beneficiaries.
- (2) If a worker is deceased, regardless of the cause of death, an insurer must still provide a written notice of acceptance or denial of a claim and issue a Notice of Closure, when applicable, to the estate of the worker.
- (3) Other notices required under this chapter intended for the worker are not required when the worker is deceased.

Clear communication is extremely important for family members and employers because of the sensitive nature of these claims. The Workers' Compensation Division is developing a Web page that addresses benefit levels, processing tips, and frequently asked questions that have been asked by the industry. Our hope in providing this information on a consolidated Web page is that it will provide you with a quick reference when you're faced with processing these difficult claims. The page is located at www.cbs.state.or.us/wcd/communications/110.html.

John Shilts, Administrator
Workers' Compensation Division