

A smiling male worker with short dark hair, wearing a white long-sleeved shirt and a red apron, stands with his arms crossed in a retail or warehouse setting. The background is slightly blurred, showing shelves and bright lighting.

Oregon's Workers' Compensation System



Workers' compensation insurance

By law, Oregon employers must carry workers' compensation insurance or be self-insured. Workers' compensation insurance protects workers by paying for medical treatment and lost wages and protects employers by shielding them from liability lawsuits that might result from work-related injuries or illnesses.

Employers pay premiums to workers' compensation insurance companies, and those premiums finance most of the benefits received by workers if they are injured or suffer an occupational disease on the job. The Oregon Legislature makes laws determining the level of benefits and who qualifies for benefits. The Department of Consumer and Business Services (DCBS) carries out policy for the governor, regulates Oregon's workers' compensation system, makes certain that employers provide insurance, and ensures that injured or ill workers receive the benefits due to them.

Oregon has had some kind of workers' compensation program since 1914.

Today's system is designed to:

- Prevent or reduce worker injuries and illnesses
- Provide appropriate medical treatment and benefits to help injured workers recover and return to work as soon as possible
- Resolve disputes quickly and fairly

Preventing workplace injuries and illnesses



When people think of workers' compensation, they usually think of the benefits workers receive after an injury. That is one part of the system. Another important part involves preventing injuries and occupational disease.

That is where Oregon OSHA fits in. Oregon OSHA administers the Oregon

Safe Employment Act (OSEA) of 1973, under which employers must provide safe and healthy workplaces for their employees and ensure that workers have the training and equipment to do their jobs safely.

Workers also have responsibilities in the workers' compensation system: They must follow their employers' workplace safety and health procedures and report hazards to supervisors. If employers do not correct hazards, workers have the right to file a complaint with Oregon OSHA.

Oregon OSHA conducts unannounced inspections of workplaces to make sure that employers follow the law. Oregon OSHA may issue penalties against employers who violate OSEA and can even shut down or "red tag" dangerous worksites.

Oregon OSHA may also inspect in the following situations:

- When it receives a complaint
- When there has been a fatal or catastrophic accident
- When an accident requires hospital admission with medical treatment beyond first aid
- When another agency reports a potential problem

Oregon OSHA also helps employers identify hazards and develop safety and health programs. Consultative services are separate from Oregon OSHA's enforcement activities, meaning that employers can request no-cost help without fearing that a consultation may lead to an inspection, citation, or penalty. Oregon OSHA provides a variety of other resources for employers, including classes, workshops, and statewide educational conferences.

Workers' compensation insurance companies offering coverage in Oregon provide similar consultative services to the employers they cover.



If a work injury or illness occurs



Workers who have work-related injuries or illnesses need to file a claim to receive workers' compensation benefits. They fill out the Report of Job Injury or Illness ([Form 801](#)) from their employer or the Worker's and Health Care Provider's Report for Workers' Compensation Claims ([Form 827](#)) from their doctor. Either form begins the

claims process. The employer or doctor sends the forms to the insurer. The insurance company must accept or deny the claim within 60 days, then notify the Workers' Compensation Division (WCD) of DCBS within 14 days of acceptance or denial.

If the insurer denies a claim, it must send the injured worker a letter telling why the claim is denied and about the worker's right to appeal the denial to the Hearings Division of the Workers' Compensation Board (WCB). If the insurer accepts a claim, its letter will be a notice of acceptance specifying the medical conditions that will be covered under the claim. WCD oversees claims handling by auditing insurers' files to check if the claims were processed accurately and in a timely manner.

A worker temporarily or permanently disabled by an accepted work-related injury may receive payment from the workers' compensation insurer for medical Page 7

treatment, lost wages, and permanent disability. Some workers may qualify for vocational services. Oregon's workers' compensation benefits also include death benefits.

When an injured worker's doctor determines the worker is medically stationary or the work injury is no longer the major cause of the worker's disability, the insurer notifies the worker that the claim will be closed and how much, if any, permanent disability payment is due the worker. Medically stationary means that the work-related injury or illness is not expected to improve with further treatment or the passage of time. If an injured worker fails to seek medical care for more than 30 days without doctor approval, the insurer must close the claim.

WCD administers two programs that help injured workers return to work: the Employer-at-Injury Program, which offers incentives to employers to provide light-duty work during a worker's recovery, and the Preferred Worker Program, which offers employers incentives, such as worksite modification and wage subsidies, to hire and retain injured workers.



Resolving disputes

Throughout the claims process, injured workers are informed about what to do and who to contact if they disagree with a decision or some other aspect of how their claims are being handled.

An insurer or an injured worker may request mediation services, a hearing, or administrative review from WCB if there is a dispute about a claim issue. Some issues must be appealed to WCD before going to WCB. During

the appeals process, the insurer will have a lawyer; injured workers may also hire lawyers, with fees paid out of or in addition to any compensation that may be awarded.

There are also ways to resolve disputes or disagreements about Oregon OSHA penalties. If an employer disagrees with a safety or health citation, Oregon

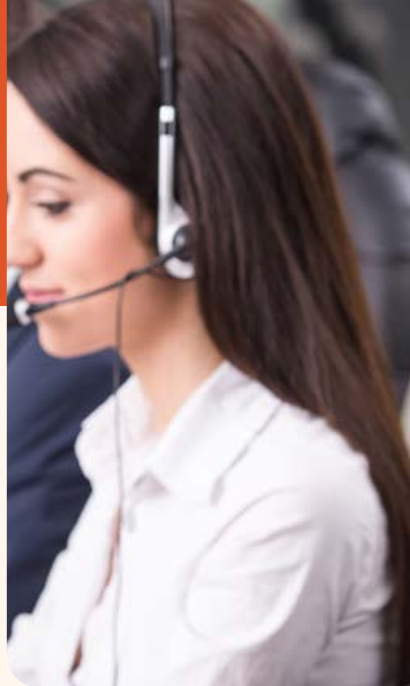
OSHA will help in the effort to settle the disagreement informally. If there is no resolution, either party may appeal to WCB.





Who does what

Oregon OSHA helps keep people out of the workers' compensation system through safety and health programs. Oregon OSHA adopts workplace health and safety standards that employers must meet and safety standards for selected industries, such as agriculture and logging.



The Workers' Compensation

Division enforces and regulates Oregon's workers' compensation laws and administers several funds, including the Workers' Benefit Fund, designed to benefit employers and workers.

The Workers' Compensation Board helps resolve workers' compensation claims, and health and safety citation disputes. The board conducts hearings, mediations, reviews appeals, and approves claims disposition agreements.

The Ombuds Office for Oregon Workers helps workers with all aspects of the workers' compensation system and workplace safety.

The Office of the Small Business Ombudsman for Worker's Compensation helps businesses with workers' compensation issues.

The Management-Labor Advisory Committee is appointed by the governor and includes five labor and



five management representatives who explore issues and make recommendations about workers' compensation to policymakers.

The Division of Financial Regulation

licenses and regulates all insurance companies operating in Oregon, including workers' compensation insurers. The division also reviews

premium rates, conducts hearings in ratemaking and disciplinary cases, and oversees the process for employer appeals on premium audits.

Other players – such as self-insured employers; insurers, including the State Accident Insurance Fund (SAIF) Corporation; and managed care organizations (MCOs) – all have a role in the workers' compensation system. MCOs are groups of health care providers that contract with insurers to handle medical treatment of injured or ill workers. Outside of DCBS, there are other government entities that play roles in Oregon's workers' compensation system. Among these are the Bureau of Labor and Industries, which enforces wage-and-hour laws, legal hiring practices, and investigates alleged abuses; and the Oregon Institute of Occupational Health Sciences at Oregon Health and Science University. The institute provides the public, labor, business, health professionals, and government with information on hazardous factors in the environment.

Who to call

Oregon OSHA, 800-922-2689 (toll-free)

- Standards and Technical, workplace safety and health
- Oregon OSHA Resource Center, Oregon OSHA publications
- AV Library, training materials and videos
- Records Management, citation histories of employers in Oregon
- Education, conferences and no-cost workshops
- Enforcement, report work-safety violations

Workers' Compensation Division, 503-947-7810

- Benefit Consultation Unit, workers' compensation benefits information
- Employment Services Team, Preferred Worker and Employer-at-Injury programs
- Performance Section, report noncomplying employers or workers' compensation fraud and information about managed care organizations and penalties
- Employer Compliance Unit, verify employer's coverage

Workers' Compensation Board, 877-311-8061 (toll-free)

Ombuds Office for Oregon Workers, 800-927-1271 (toll-free)

Office of the Small Business Ombudsman, 503-329-4260

