



Associated Oregon Industries

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October 28, 2016

Mr. Fred Bruyns
Rules Coordinator
Workers' Compensation Division
PO Box 14480
Salem, OR 97309

Subject: OAR 436-110-0325(4)(a)

Dear Mr. Bruyns:

Thank you for the opportunity to submit written comments on proposed changes to OAR 436-110-0325(4)(a).

Associated Oregon Industries is concerned about changes the proposed amendment would make to the notification and approval process for premium exemption. Currently the rules require the employer to notify their insurer within 90 days from eligibility or hire of a preferred worker. The insurance company then has the authority to approve a premium exemption. The proposed amendment requires the employer to instead notify the division of the hiring, and gives the Director responsibility to either approve or deny premium exemption.

Employers in Oregon rely on their insurance company to help them navigate the complexities of our workers' compensation system and to take care of injured workers' and the employer's interests appropriately. This is especially important to the small business owner that has little time or resources to devote to managing workers' compensation claims.

When an employee is faced with the potential of not being able to return to their job, it is even more important that the employer stay in close contact with their insurance company so that they understand their options and obligations. One of these options is to continue to employ the injured employee through the Preferred Worker Program (PWP).

The PWP offers great benefits to both the employer and their injured employee; however, the program benefits have different components with individual requirements and deadlines. Employers are not PWP experts, nor do we believe they should be expected to become experts. We believe that it is vital for employers to be able to continue to rely on their insurance company's expertise to ensure that PWP program benefits will be available not only to them, but to their injured employees as well.

Mr. Fred Bruyns
Subject: OAR 436-110-0325(4)(a)
October 28, 2016
Page 2

The proposal to require employers to work with the Workers' Compensation Division directly, and not allow our insurance representatives to work on our behalf, puts a burden on the employer that could result in reduced utilization of this valuable program. We respectfully request that the proposed amendment be withdrawn and that, by rule, employers can continue to work directly with their insurance company regarding PWP benefits.

Sincerely,

A handwritten signature in blue ink that reads "Betsy Earls". The signature is written in a cursive style.

Betsy Earls
Vice President and Counsel

A handwritten signature in blue ink that reads "Betsy Earls". The signature is written in a cursive style.