

Division 60 rule opening, recommendations around 060-0025

060-0025 (5) (B) (f)

OAR 060-0025 (5) (B) (f) addresses how to treat overtime when calculating AWW; the rule is confusing. SAIF recommends striking this provision from the rules. If overtime is earned in a period that is used to calculate the AWW, insurers should use those wages as part of the calculation, regardless of how often these extra hours are worked (or if they are worked on a "regular" basis).

For these reasons we recommend striking 0025 (5) (B) (f):

~~**(f) Insurers shall consider overtime hours only when the worker worked overtime on a regular basis. Overtime earnings must be included in the computation at the overtime rate. For example, if the worker worked one day of overtime per month, use 40 hours at regular wage and two hours at the overtime wage to compute the weekly rate. If overtime varies in hours worked per day or week, use the averaging method described in subsection (a). One half day or more will be considered a full day when determining the number of days worked per week.**~~