



Oregon

Theodore R. Kulongoski, Governor

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BULLETIN NO. 325 (Revised) Nov. 10, 2009

TO: Workers' compensation insurers, self-insured employers, and other interested parties

SUBJECT: Supplemental disability payment and reimbursement

EFFECTIVE: Immediately

The purpose of this bulletin is to provide forms and formats for supplemental disability processing and reimbursement under OAR 436-060-0010, 0035, and 0500. Due to the implementation of Senate Bill 559 (2007), the division revised Form 3504, "Supplemental Disability Benefits Quarterly Reimbursement Request." The field asking for the employer's WCD registration number now includes "or policy number." The division revised Form 3530 to provide clearer language and to update contact information. Form 3531 was not revised. This bulletin replaces Bulletin 325 issued Jan. 14, 2005. You may reproduce the forms or download them from the Workers' Compensation Division's Web site: <http://wcd.oregon.gov/forms/Pages/forms.aspx>.

- I. Form 3530, "Supplemental Disability Election Notification."** Under OAR 436-060-0010(21), if you elect not to process and pay supplemental disability benefits, file Form 3530 with the director. The election remains in effect until you change it.
- II. Form 3531, "Physician Authorization of Supplemental Disability."** This form is for the insurer or the assigned processing agent to send to the worker. Under OAR 436-060-0035, the worker has on-going responsibility to provide information and documentation to the insurer or the assigned processing agent who is processing supplemental disability.
- III. Supplemental disability payment by insurer or self-insured employer and reimbursement of costs from the Workers' Benefit Fund.** If the insurer elects to pay supplemental disability, payment (if appropriate) must be made within 14 days of the insurer's receipt of verifiable documentation from the worker. The division will reimburse the insurer's costs from the Workers' Benefit Fund in accordance with OAR 436-060-0500. A completed Form 3504, "Supplemental Disability Benefits Quarterly Reimbursement Request," provides the information required to process the reimbursement. Insurers may develop their own forms or spreadsheets for requesting reimbursement provided such forms include the same data elements, including the legal names of additional employers and each employer's WCD registration number or policy number. (See Section IV of this bulletin for information on how to obtain this registration number or policy number.)

Under this election, in addition to the supplemental disability reimbursement, the division will calculate and include in the reimbursement an administrative fee based on the annual claim processing administrative cost factor, as published in Bulletin 316.

Reimbursement requests must be submitted no later than 30 days after the end of each calendar quarter to be included in that quarter's reimbursement. Otherwise, the division will hold over the request until the next quarter's reimbursement.

IV. How to find the WCD employer registration number or policy number:

- ◆ **Phone the employer index, 503-947-7814**
 - ◆ **E-mail requests to: wcd.employerinfo@oregon.gov**
 - ◆ **Fax requests to: 503-947-7718**
- Look up information on WCD's Web site:
WorkCompCoverage.wcd.oregon.gov

V. How to calculate supplemental disability benefits:

Supplemental disability is only available for injury dates on or after Jan. 1, 2002.

Determine weekly wage according to ORS 656.210 and OAR 436-060-0025 for each employer.

Multiply wages from primary employer by $66 \frac{2}{3}$ (.6667) to calculate the temporary disability rate based solely on those wages. If results meet or exceed the maximum temporary disability rate (133% of Oregon average weekly wage), the worker is not eligible for any supplemental disability benefits.

Combined benefit paid to the worker:

If primary employer wages do not meet or exceed the maximum rate, combine the determined weekly wages from each employer and multiply by .6667 to calculate the combined temporary disability rate up to the maximum rate. To calculate temporary partial disability, use all post injury wages for primary and secondary employers.

Supplemental disability reimbursed through Workers' Benefit Fund:

First calculate the temporary disability benefit payable based solely on primary employer wage at injury and primary employer post injury wages. Then subtract those results from the combined benefit paid to the worker; the difference is the supplemental disability and is reimbursed through the Workers' Benefit Fund.

NOTE: Insurers are encouraged to download free temporary/supplemental disability calculation software from WCD's Web site:

<http://wcd.oregon.gov/insurer/Pages/disability-calculators.aspx>

If you have questions about supplemental disability benefits or calculations, call a Benefit Consultant, 503-947-7585. If you have questions about reimbursements from the Workers' Benefit Fund, call 503-947-7810 and ask for a Reimbursement Program Specialist.

/s/ John L. Shilts

John L. Shilts, Administrator
Workers' Compensation Division

Distribution: WCD-BT, S0, S1, LY

Attachments: Form 440-3530, "Supplemental Disability Election Notification" (Rev.11/09)
Form 440-3531, "Physician Authorization of Supplemental Disability" (Rev. 9/03)
Form 440-3504, "Supplemental Disability Benefits Quarterly Reimbursement Request" (Rev. 11/09)