



# MEMORANDUM

November 20, 2019

To: Fred Bruyns, Rules Coordinator, Workers' Compensation Division

From: Aaron Fellman, Policy Analyst, Workers' Compensation Division

Subject: Proposed changes to OAR 436-050

Dear Fred,

The division's proposed changes to OAR 436-050 include adding new language to OAR 436-050-0050(1)(a). The new language specifies that when employers elect to provide coverage for nonsubject workers, they must give notice to the director. It was added to clarify an employer's responsibilities under ORS 656.039.

However, it appears that an insurer satisfies this requirement on the employer's behalf when the new coverage is reported electronically, as required by OAR 436-162-0340. To avoid creating confusion about who is required to give notice, I recommend deleting the new language.

Without the new language, the proposed change to OAR 436-050-0050(1)(a) would read as follows:

(a) ~~The~~ A carrier-insured employer must make the election to the insurer ~~must be made~~ in writing ~~to the insurer at the beginning on or before the effective date of a the coverage policy.~~ An election ~~and remains~~ in effect until a revised ~~written designation election~~ is given to the insurer.

Sincerely,

Aaron Fellman