# WORKERS' COMPENSATION

# MANAGEMENT-LABOR ADVISORY COMMITTEE

## **Full Committee Meeting**

Feb. 27, 2025 10 a.m.–11 a.m.

#### Committee members present via zoom:

Scott Strickland, Sheet Metal Workers Local #16
Patrick Priest, Citycounty Insurance Services(Absent)
Sara Duckwall, Duckwall Fruit
Ryan Hearn, Roseburg Forest Products
Stacy Lewallen, Fortis Construction, Inc.
Sarah Merrick, City of Salem Fire Department
Kim Schlessinger, Samaritan Health Services
Lorne Bulling, IronWorkers Local 29 (In-person)
Margaret Weddell, Labor Representative
Emily Rivas, Oregon Nurses Association
Andrew Stolfi, DCBS Director, ex officio

### Staff:

Teri Watson, MLAC Committee Administrator Baaba Ampah, MLAC Assistant Megan Parsons, MLAC Assistant

Agenda Item	Discussion
Opening	Affirmation and Roll Call
(00:00:00)	Co-chair Scott Strickland called the meeting to order, and shared an affirmation.
	Teri Watson called the roll of members. A quorum was present.
	<b>Public Comments</b>
(00:1:50)	No public comment.
	Review minutes from February 20, 2025
(00:02:18)	Minutes were deferred to the next meeting.
	Department updates
	Workers' Compensation Board case law updates – Autumn Blake
(00:02:50)	No WCB updates.
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(00:03:00)	No WCD updates.
(00:02:50)	No WCB updates.  Workers' Compensation Division (WCD) updates – Teri Watson No WCD updates.

#### **Unfinished Business:**

#### HB 2800 -1

(00:03:12) HB 2800 was pulled from today's agenda, and will be revisited at a future meeting.

#### HB 2802 -2

- (00:04:24) Ivo Trummer, SAIF, mentioned that SAIF is in full support of the bill with the -2 amendment.
- (00:04:34) A brief caucus was taken.
- (00:05:53) Margaret Weddell motioned for MLAC to recommend the legislator support HB 2802 with the -2 amendment, and Ryan Hearn seconded the motion. The motion passed unanimously.

# Bill Presentations: Oregon AFSCME Political Coordinator, Odalis Aguilar-Aguilar SB 606

- Odalis Aguilar-Aguilar presented SB 606 with the -1 amendment, which creates a PTSI presumption for workers at the ODHS, Stabilization and Crisis Unit (SACU) and the Oregon State Hospital with direct patient contact. She referenced a 2024 worker statewide survey conducted by Oregon AFSCME, in which 49% of respondents reported feeling unsafe at work and a number of workers experiencing assaults or threats. Odalis highlighted data, from the department and a 2022 HB 4002 report, showing that mental health facilities like SACU and the Oregon State Hospital have some of the highest incidents rates of occupational injuries and illnesses. She noted that this bill aims to unlock more mental health resources for these workers, paralleling officers police and firefighters who deal with mental health cases as well. She also presented a one-pager.
- (00:12:55) Sara Duckwall referenced the one-pager and asked if workers are not allowed to currently make workers' compensation claims on PTSI and stress disorders. Odalis responded that the claims can be filed, but a lack of presumption for non-first responders, make it more difficult for the worker to actually navigate and present a case. She also noted that the 31% of the total claims come from agencies like Oregon State Hospital and SACU. Odalis noted that there is a sentiment among workers that mental health related claims will likely be denied. For workers who do file, the process can be burdensome.
- (00:14:26) Members requested additional data on PTSI and stress disorder claims for the number of claims that are filed, denied, accepted, and the average timeframe of the claims, and the impact of previous presumptions on claims filed and its costs. Odalis will provide WCD's memo on previous presumptions. Ivo Trummer added that SAIF tracks denied claims and will compile the data.

- (00:16:55) Matt West, WCD administrator mentioned that data on accepted and denied disabling claims can be pulled with the caveat that non-disabling claims are not received by the division. In regards to the timeframe data requests, he added that insurers have 60-days to accept or deny a claim regardless of the presumption.
- (00:18:40) Odalis noted that the bill is sponsored by Senator Campos and Senator Woods.

#### **SB 705**

- Odalis Aguilar-Aguilar presented <u>SB 705</u> with the <u>-1 amendment</u>, mentioning that she has been touching base with stakeholders to make sure that their concerns are being addressed. She described a forthcoming -2 amendment that replaces the original "net-pay" concept and replaces wages below the state's average weekly wage (AWW) at 80% and any earning above the AAW would be replace that 66 2/3 up to the remaining cap, which gets adjusted every year. The -2 amendment will also read that the amendments apply to claims and strikes out total disability compensations. Odalis was not seeking a formal vote, but she will share the finalized -2 amendment with MLAC and stakeholders.
- (00:21:36) Co-chair Strickland paraphrased that the -2 amendment moves away from the net model and retains the existing gross models along with "buckets" similar to the tax brackets with a floor and cap. Odalis agreed, adding that wages below the state's average weekly wage (SAWW) would be replaced at 80%, wages above SAWW, before the cap, would be replaced at 66 2/3, and both a \$50 minimum floor an existing cap would remain in place. The -2 amendment strikes out language that says net off and pay roll deductions.
- (00:23:02) Stacy Lewallen asked how the baseline of 80% was established. Odalis replied that data derived from National Council on Compensation Insurance (NCCI) and WCD suggested that on average, many lower-wage workers pay around 20% in taxes, so 80% reflects the typical take-home pay.
- (00:24:04) Ryan Hearn expressed concern about impact of the bill on the Worker' Benefit Fund (WBF). He noted that if the bill got approved it might be strained long-term with additional proposals, such as BOLI seeking funding from the WBF. He noted that it needs to be evaluated.
- (00:24:40) Odalis will send the -2 amendment to NCCI for evaluation. She noted that NCCI's -2 amendment analysis might not change.
- (00:25:38) Stacy Lewallen suggested a sub-committee to further analyze the proposed 80% baseline, recommending further analysis of detailed tax information. Co-chair Scott Strickland suggested further assistance from WCD staff to clarify tax assumptions used in the presented data. He also suggested that Stacy Lewallen send a follow-up email of additional questions. Teri confirmed that WCD staff can explain the requested information.

(00:29:30)	Keith Semple, Oregon Trial Lawyers Association (OTLA), expressed support of the bill, emphasizing the importance of removing punitive aspects of filing claims in terms of workers' benefits. He clarified that while workers should not receive more income from time-loss benefits than from regular employment, they should not be punished for circumstances outside their control. Keith Semple highlighted that benefits set lower than workers' net earnings after taxes, as a way to incentivize workers to return back to work, is a deterrent to filing claims, as doctors and employers control workers' return to work status.
(00:32:02)	Ivo Trummer stated that SAIF is engaged in the bill, but is still digesting the -2 amendment. Also, Odalis is meeting with the Ombuds Office for Oregon Workers to address their concerns about the bill.
(00:33:03)	Margaret Weddell requested revisiting an earlier testimony by Mike Manley, but Teri clarified Manley had discussed permanent partial disability (PPD), not temporary total benefits (TTD).
(00:36:02)	Teri confirmed co-chair Scott Strickland's assumption that there is no payments of benefits or eligibility to Paid Leave Oregon while on a workers' compensation claim. Co-chair Scott Strickland noted that it seems abhorrent that workers are "incentivized" to return to work on lower pay time-loss benefits, as losing healthcare is incentive enough.
(00:37:22)	Sara Duckwall asked for clarification about workers losing health insurance coverage during workers' compensation. Co-chair Scott Strickland explained that in the construction industry, when a worker has family insurance, a percentage of their income goes into it. While on workers' compensation, they might pick up Cobra payments, which is a percentage of their already partial workers' compensation. Josh McNeal, CorVel Corporation, added that each employer has their own policies and union contracts: some employers continue healthcare contributions for employees and their families during leave either indefinitely or for a set period, while others do not. Jovanna Patrick, OTLA, also added that state employees generally maintain their health insurance during leave, whereas non-state employees often lose coverage, as it is not required by law, unless the employer voluntarily continues it.

# **Meeting** Co-chair Scott Strickland adjourned the meeting at 11:00 a.m. **Adjourned**

\*These minutes include time stamps from the meeting video found here: <a href="https://www.youtube.com/watch?v=fB4axHKOPtg">https://www.youtube.com/watch?v=fB4axHKOPtg</a>

(00:43:16)

\*\*Referenced documents can be found on the MLAC Meeting Information page here: https://www.oregon.gov/DCBS/mlac/Pages/2025-meetings.aspx

Upcoming meetings -Mar. 6 and Mar. 13 2025, virtual meetings.

Although co-chair Patrick Priest will not be present, a quorum will be present.