#### WORKERS' COMPENSATION

### MANAGEMENT-LABOR ADVISORY COMMITTEE

#### **Full Committee Meeting**

Mar. 6, 2025 10 a.m.-12 p.m.

#### Committee members present via zoom:

Scott Strickland, Sheet Metal Workers Local #16 (In-person) 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 (In-person)

#### Staff:

Teri Watson, MLAC Committee Administrator Megan Parsons, MLAC Assistant Jeff Warburton, 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
(00:01:53)	Sara Duckwall moved to approve the minutes, and Ryan Hearn seconded the motion. Emily Rivas abstained, and the motioned passed.
	Department updates
(00:03:37)	Workers' Compensation Board case law updates – Autumn Blake There were no caselaw updates, but Autumn Blake mentioned that WCB is starting is five-year bill rule review of OAR 438-015-0115.

#### Workers' Compensation Division (WCD) updates - Teri Watson

(00:04:27) Teri Watson mentioned that she sent out the <u>Time-Loss Benefit Webinar</u> flyer from the Ombuds Office for Oregon workers, and <u>MLAC's 2025 bill reviews</u>. Director Stolfi provided an update on <u>SB 946</u>, which authorizes funding of Bureau of Labor & Industries' (BOLI) operational expenditures from the Workers' Benefit Fund (WBF). He noted that he testified at an informational hearing in the Senate Committee on Labor and Business, where he shared information about the WBF. He mentioned to the Senate Committee that MLAC might have a role in reviewing the bill, but advised waiting for a more appropriate time, as a current workgroup led by Senator Taylor, is actively discussing the bill and may propose amendments. DCBS has no position on the bill.

## 2024 Annual Workers' Benefit Presentation and discussion—DCBS, Senior Economist, Kelli Borushko and DCBS Director, Andrew Stolfi

- (00:09:15) Kelli Borushko presented the Annual Workers' Benefit Fund.
- (00:17:23) Co-Chair Strickland asked to view the Retroactive Program average payment data adjusted for inflation. Kelli Brushko will provide the requested data.
- (00:23:38) Kelli Borushko confirmed Sara Duckwall's question that expenditures are outpacing revenues. Andrew Stolfi added that it is intentional to operate on a counter cynical manner; when the economy is good, rates are increased to build up funds, and when the economy is uncertain, rates are lowered to ease the burden on employers and workers.
- (00:25:45) Co-chair Strickland thanked Kelli and Director Stolfi for the report and the presentation.

#### **Bill Presentations:**

### SB 904 – Joe Crelier, Director of Risk Management for Portland Public Schools and Jessica Adamson

(00:27:05) Joe Crelier presented <u>SB 904</u>, aimed at allowing self-insured school districts to apply for the same financial security exemptions currently available to self-insured cities and counties. He noted the proposal will allow ORS 656.407(3)(a) to include school districts to apply for the security credit. He noted that Portland Public schools spends \$10,000 annually on standby letter of credit, and estimated a cumulative savings among all three self-insured districts of roughly \$300,000 over 10 years. Joe Crelier emphasized that the bill would not impact workers' benefits, medical services, or attorneys, but will bring equity to self-insured public entities.

(00:30:57)Co-chair Strickland asked if the definition for school districts in statute includes public and private schools. Jessica Adamson confirmed that in statute, only public schools would be allowed to apply to DCBS for the exemption. (00:31:43)It was clarified that there are three self-insured school district: Portland, Salem-Keizer, and Beaverton. (00:32:43)Kimberly Mohler, Beaverton School District, expressed support for SB 904, noting that the bill is straightforward, and would significantly ease administrative workload. Matt West, WCD Administrator, noted that WCD has no position on the bill, as (00:33:42)it does not have significant change in the division's operation. **SB 705** (00:35:25)Odalis Aguilar-Aguilar stated that the -2 amendment is available, and the Senate Committee on Labor and Business will hold another hearing for SB 705 after MLAC's recommendation. The National Council on Compensation Insurance's (NCCI) analysis is in the works. SB 991 – Connie Whelchel, IMA Corp Connie Whelchel presented SB 991. (00:37:24)Sarah Merrick asked if an Oregon worker could accept off-site modified duty if (01:08:14)offered. Connie Whelchel answered that it is a voluntary option, currently, if the worker refuses this off-site option, they would continue to receive time-loss benefits. Thais Lomax, Sedgwick, answered that some employers use similar programs, but workers can refuse and still receive full time loss benefits. Injured workers who have participated in these programs have had positive responses, resulting in a gain of self-worth and positive results. (01:11:28)Sarah Merrick asked if there is any tracking of how many Oregon workers that exercise this option. Sara Duckwall asked for data for workers who voluntarily use or voluntarily refused the off-site modified duty. (01:12:31)Matt West clarified that WCD does not track such data. Co-chair Strickland sought clarity if workers will be compelled to volunteer at a (01:13:00)religious institution that they do not agree with, or face losing time loss. Connie Whelchel responded that additional rule can be put in place to provide safeguards so such obligation would not happen. It is a first step to open up opportunities. She continued that finding the right fit for the worker is essential. Co-chair Strickland added that it is concerning that currently there are no guardrails against religious conflict.

- (0:1:14:39) Jovanna Patrick, OTLA, expressed concerns regarding SB 991, noting that the concept came up last year and still has the same concerns. She also noted that the bill was introduced late in the legislative process, leaving insufficient time for evaluation. Jovanna Patrick emphasized that the bill lacks necessary safeguards in statute, potentially allowing workers to be assigned to inappropriate or unrelated off-site jobs without worker input. She also raised concerns of the lack of statutory protection against conflicts such as religious or moral obligations, loss of exclusive remedy, third-party liability issues, and risks of further injuries at unrelated worksites. She reasoned for strengthening incentives for employers to offer suitable on-site modified duty, rather than sending workers' off-site.
- (01:21:32) Ivo Trummer, SAIF, stated that SAIF does not track if the modified work is at the employer at injury. He stated that the proposed bill was Oregon law till 2000/2001, and asked if MLAC has records of why it changed. Matt West responded that WCD can provide that history.
- (01:22:39) Connie Whelchel referenced analysis of SB 485 which estimated minimal costs to employers due to restricted flexibility in offering modified work at alternative sites. She noted that about 4-6% of placements, in 1999, were off-site, acknowledging that telecommuting was not considered then. Later, Connie ended her presentation by stating that workers have the right to appeal worksites that do not work for them. She also contended against having blanket law based on the actions of a few bad employers, noting the overall positive opportunities of off-site work programs.

# HB 3490 – Vern Saboe Jr., DC DACAN, FICC, DABFP, FIANM Vern Saboe presented HB 3490.

(01:53:52) Ryan Hearn asked if injured workers have a choice of physicians when a claim is filed, and if they can treat with a chiropractor. Verne Saboe confirmed, stating that if it is after 18 treatments within 30 days, or 60 consecutive days of time loss. Unless enrolled in an MCO, a chiropractor loses control of the patient and they can be referred back to the chiropractor after the 18 visits or 60 days. He continued that there are not many physicians in workers' compensation.

(01:27:45)

- (01:55:32) Ryan Hearn asked for data about the amount of patients making it to medical status under chiropractic care within the 18 visits or 60 days' time frame.
- (01:56:40) Ivo Trummer, SAIF commented that they had met with Dr. Saboe and expressed appreciation for Dr. Saboe's passion of chiropractic care. He clarified that since Mahonia Hall days, SAIF has not seen any systemic issues getting patients back to chiropractic care after the transition to attending physician, especially with a referral. Vern Saboe responded that they are documenting the occurrences of patients trying to get referrals to no avail, and gave some examples.

(01:59:09)	Jovanna Patrick, OTLA, stated that when a worker has to change attending physicians, there is a delay in treatment and time loss, which is bad for all parties. During that deferral, there is a 30 day period where injured workers are stuck. Jovanna suggested the committee considerer the worker access to care in the over conversation in medical services.
(02:01:29)	Upcoming meetings – March 13, and March 20, 2025, virtual meetings A quorum will be present during the next MLAC meetings.
Meeting Adjourned	Co-chair Strickland adjourned the meeting at 12:02 p.m.

<sup>\*</sup>These minutes include time stamps from the meeting video found here:  $\underline{https://www.youtube.com/watch?v=z4cB9vcNgdA}$ 

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