

WORKERS' COMPENSATION
MANAGEMENT-LABOR ADVISORY COMMITTEE
Full Committee Meeting
Mar. 20, 2025
9 a.m.–11 a.m.

Committee members present via zoom:

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

Staff:

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

Agenda Item	Discussion
Opening (00:00:00)	Affirmation and Roll Call Co-Chair Patrick Priest called the meeting to order, and shared an affirmation. Teri Watson called the roll of members. A quorum was present.
(00:02:17)	Public Comments No public comment.
(00:01:53)	Review minutes from Feb. 27, and March 6, 2025 The Feb. 27, and Mar. 6, 2025 meeting minutes were presented. Sara Duckwall moved to approve both set of minutes, and Sarah Merrick seconded the motion. The motion passed unanimously.
	Department updates
(00:03:56)	Workers' Compensation Board case law updates – Lauren Eldridge There were no caselaw updates.
(00:04:20)	Workers' Compensation Division (WCD) updates – Teri Watson Teri Watson shared that IT is in the room after extensive zoom training.

Unfinished Business:

SB 904

- (00:05:35) A brief caucus was taken. Margaret Weddell was announced as present.
- (00:06:52) Co-chair Strickland motioned for MLAC to support SB 904, and Ryan Hearn seconded the motion. The motion passed unanimously.

Bills waiting on amendments:

HB 2800

- (00:08:44) Matt West, WCD administrator, shared that after recent discussions addressing concerns about co-employment terminology, a new amendment is being drafted. The -2 amendment is expected soon, and would be shared with stakeholders.

HB 3374 -1 and -2 – Ivo Trummer and Elaine Schooler, SAIF

- (00:11:36) Ivo Trummer and Elaine Schooler presented HB 3374, highlighting concerns over rising medical costs ([7% in 2023 and 11% in 2024](#)). Ivo Trummer explained that the bill aims to allow SAIF the ability to work towards improving the access of timely and quality care for injured workers. Elaine Schooler added that HB 3374 would allow SAIF to coordinate medical services directly with providers, potentially forming a Managed Care Organization (MCO). It could also offer loan forgiveness and administrative support to providers. Ivo Trummer mentioned that the -1 amendment ensures City of Portland's fire and police department could access SAIF's MCO services. He confirmed that the SAIF MCO could be available to other insurers and self-insured employers. Ivo confirmed that the intent of the bill is to create more resiliency and capacity for everyone. Ivo Trummer then continued that the -2 amendment would grant nurse practitioners and physician associates attending physician status outside the MCO framework. SAIF was not seeking a vote at this time.
- (00:17:25) Margaret Weddell thanked Ivo and Elaine from SAIF for the bill, noting that its goals are fascinating and interesting.
- (00:18:05) Steve Bennett, American Property Casualty Insurance Association (APCIA), testified in opposition to HB 3374 and had concerns about the bill. Steve contends that the bill would expand SAIF's authority which would allow for unfair competitive advantages by permitting them to form subsidiaries and offer managed care services. Private insurers throughout the nation are currently prohibited from providing managed care services, so the bill would give SAIF an advantage. Steve believes that SAIF already has an advantage in Oregon as it is related to the workers compensations insurance system. Steve identified that any issues with medical services in Oregon, he would like to see a universal approach to these problems and all parties work together on a solution.
- (00:22:19) Co-chair Strickland asked if there is a list of actions taken by private insurers to address provider access concerns. Steve Bennett replied that he currently does
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not have such document, but is willing to work with stakeholders to create such document and find a solution to help all stakeholders.

- (00:23:27) Co-chair Priest asked if allowing other insurers to form an MCO would make the bill more acceptable. Steve Bennett answered that he wasn't certain, but would need to discuss further with his membership association. He emphasized their primary concern was allowing SAIF to form subsidiaries, due to concerns about maintaining a level of competitive playing field.
- (00:25:20) Ryan Hearn asked for clarity on how the bill would negatively impact self-insured employers. Steve Bennett explained it could reduce competition by giving SAIF more advantages, leaving self-insured employers and private insurers with fewer options when selecting third-party administrator (TPA).
- (00:26:53) Ivo Trummer clarified that SAIF participates in Oregon's Market Last Resort, but funds most of the cost of the assigned risk pool. He acknowledged SAIF's tax advantage, but mentioned that SAIF faces limitations by providing one type of insurance within one state, unlike private insurers. Steve Bennett clarified quasi-public entities serve as the entire market of last resort, not just participants.
- (00:33:34) Lon Holston [testified](#) in opposition to the bill. He later explained that for him to consider supporting the bill, there would need to be additional changes to the bill including but not limited to significant safeguards that needs to be in place, including a strong firewall, thorough audits, and effective due process.
- (00:44:45) Sam Hutchinson, Bureau of Fire & Police Disability & Retirement (FPDR), supported HB 3374 with the -1 amendment, emphasizing it would allow Portland's FDR to contract with SAIF's MCO. He highlighted the amendment would ensure FPDR maintains access to medical care.
- (00:50:23) Ivo Trummer thanked Sam Hutchinson and Lon Holston, agreeing that the current shortage of MCOs is a concern. He clarified that SAIF's intent is not to dominate the market, but allow for more options. Ivo wanted to clarify that SAIF is a fully public corporation created by statute and their board is appointed by the Governor.
- (00:51:40) Meg Portwood, Coastal Health Practitioners, testified at the request of the Oregon Nurses Association, in support of HB 3374 and the amendments, highlighting the importance of allowing nurse practitioner full attending physician status with no time limits. She noted the change would improve timely access to care in rural areas.
- (00:54:12) In response to Sara Duckwall's question, Meg clarified that by no time limit, she means removing current restrictions that limit nurse practitioners providing care for only 6 months.
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- (00:55:28) Keith Semple, Oregon Trial Lawyers Association (OTLA), mentioned that it is good to expand full access to nurse practitioners and physician associates. He mentioned that the current system is difficult to navigate for workers due to providers time restrictions, so streamlining the process, especially in remote areas, would be helpful.
- (00:58:10) Thais Lomax, Sedgwick, expressed concerns about SAIF being in charge of an MCO. She mentioned that it will limit options for TPAs and insurers. She mentioned that the rules prohibits adjusters within the state of Oregon from directing care. Thais agreed that more providers are needed, but SAIF handling an MCO is not the right option and statewide solution is preferred. She later stated she would need to review the bill again before supporting it.
- (01:02:53) Sara Duckwall asked if Sedgwick would be interested in starting their own MCO. Thais Lomax was not sure and would need to check in with her company. She expressed general concerns about limited choices if SAIF entered the MCO space, and MCO options became less.
- (01:05:54) Thais Lomax answered that Sedgwick has an Ancillary Care Network in other states where insurers are allowed to coordinate care.
- (01:07:07) Ryan Hearn commented the competitive edge of SAIF forming an MCO might be overstated as many employers prioritize claims management. MCO isn't going to be the only thing for TPA's to consider.
- (01:08:52) Ivo Trummer and Elaine Schooler responded to Sara Duckwall's question, clarifying that MCOs are free to exit the Oregon market at their discretion and the list is shrinking to three MCOs currently, noting examples of this occurring.
- (01:11:22) Sam Hutchinson expressed concerns about Providence leaving the MCO network due to cost cuts.
- (01:12:32) SAIF ended their presentation, noting that they will be back with amendments.
- HB 2799**
- (01:13:38) Keith Semple shared an update on HB 2799, explaining that OTLA has been in discussion with other stakeholders. The new amendment will list out the disputes the bill applies to, and the soft cap amount. Keith expressed appreciation for everyone that has helped with the process.
- SB 991**
- (01:16:09) Connie Whelchel shared that the new amendment is in the works.
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SB 606 – Odalis Aguilar-Aguilar, AFSCME Political Coordinator

- (01:16:55) Odalis Aguilar-Aguilar presented SB 606, noting data provided by SAIF, explaining that the small number claims filed from the state hospital and Stabilization and Crisis Unit (SACU). Ivo Trummer explained the [data](#).
- (01:20:42) Ryan Hearn stated appreciation for the data.
- (01:22:21) Co-chair Priest asked about reasons for denied claims, Ivo Trummer stated he is unsure, but presumption would allow employers to decide if a claim was work-related.
- (01:23:26) Odalis Aguilar-Aguilar responded that SB 606 seeks a presumption to overcome existing stigma around filing mental health claims and to support hospital workers facing dangerous conditions.
- (01:25:34) Sara Duckwall referencing WCD’s memo, noted that the data shows an increase in non-first responder mental health claims than first responder claims. She questioned the presence of the stigma. Odalis Aguilar-Aguilar responded that she cannot speak for workers outside her organization; the increase might indicate an overall improvement but the stigma still remains.
- (01:28:23) Ryan Hearn suggested that an information campaign might better address these workers’ stigmas in filing a mental health claim. Odalis Aguilar-Aguilar noted that general campaign for mental health support is needed, however members of her organization do not feel supported.
- (01:30:09) Co-chair Strickland reflected on his personal observation on the challenges these workers face. He noted presumption could provide a safety net to ensure that workers feel comfortable filing mental health claims.
- (01:33:41) Sarah Merrick cautioned to take care with the words that we use for the “whys” when defining the increased or decreased data in claims. She stated that factors like staffing shortages affect workplace safety and mental health conditions, rather than the stigma alone. Sarah also stated that the presumption for first responders has made a difference for that industry.
- (01:35:42) Ivo Trummer stated that SAIF is neutral on the bill and mentioned that the main challenges regarding mental health claims is timely access to qualified providers.
- (01:36:40) Odalis added that the State Hospital and the SACU continue to be the most dangerous place to work in Oregon. AFSCME is not seeking a vote yet, and will come back with further data.
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SB 705 -2 - Odalis Aguilar-Aguilar, AFSCME Political Coordinator

- (01:38:54) Odalis Aguilar-Aguilar sent out an [updated one pager](#). Todd Johnson, National Council on Compensation Insurance (NCCI), also reported on [NCCI -2 bill analysis](#), noting an increase in the workers' compensation system cost by 5.3%.
- (01:42:33) Ivo Trummer confirmed that SAIF's internal data closely matched NCCI's analysis, indicating similar cost impacts.
- (01:44:07) Co-Chair Strickland highlighted that [workers' compensation premium has declined over the past decade](#), expressing curiosity over the reason. He noted after injury, the cost seems to be shifting to the working families.
- (01:47:35) Steve Bennett opposed SB 705, calling it dangerous due to overstating workers' wages and creating disincentives for appropriate return to work.
- (01:49:09) Co-chair Strickland argued that injured workers are already financially burdened and should not be pressured to return to work prematurely. He shared his personal experience with the workers' compensation system that could shift the cost to workers.
- ((01:51:33) Steve Bennett clarified that he is not advocating injured workers returning to work early, but rather the importance of accurately reflecting wages and encouraging timely return to work when appropriate.
- (01:52:49) Thais Lomax suggested raising the existing minimum weekly benefit cap to more than \$50 or 90%. Which is more in line with other states and more fair to low wage workers. Odalis Aguilar-Aguilar stated that that idea has not been considered, but she is happy to engage in conversation.
- (01:54:47) Ryan Hearn suggested a subcommittee to explore alternative solutions, since there are multiple avenues to address the situation. Odalis Aguilar-Aguilar will speak to her members about this suggestion. She noted that the bill will be a safety net for workers to heal and get back to work. AFSCME will return for further discussion.
- (01:57:38) Steven Bennett confirmed Thais Lomax, clarifying that APCIA is not ready to take a position on benefit levels, but they should be negotiated. He continued that APCIA does not want a misfit of wage levels to disincentivize healed workers from getting back to work.
- (01:58:52) Odalis Aguilar-Aguilar clarified that SB 705 -2 amendment does not apply to retroactive claims, only claims moving forward.
- (01:49:47) **Upcoming meetings – March 27, and April 3, 2025, virtual meetings**
Sara Duckwall and Ryan Hearn will not be at the next meeting.
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(02:00:34) Co-chair Priest moved to adjourn the meeting and Ryan Hearn seconded the motion. The motion passed.

Meeting Co-Chair Priest adjourned the meeting at 11:12 a.m.
Adjourned

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

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