

WORKERS' COMPENSATION
MANAGEMENT-LABOR ADVISORY COMMITTEE

Full Committee Meeting

October 2, 2025
10 a.m.–12:00 p.m.

Committee members present (via zoom):

Co-chair Scott Strickland, Sheet Metal Workers Local #16
Co-chair Patrick Priest, CIS Trust (**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
Margaret Weddell, Labor Representative
Emily Cronan, Oregon Nurses Association
Sean O'Day, interim DCBS Director, *ex officio*

Staff:

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

Agenda Item	Discussion
Opening (00:00:20)	Affirmation and Roll Call Co-chair Scott Strickland called the meeting to order, and shared an affirmation. Teri Watson called the roll of members. A quorum was present.
(00:02:02)	Public Comments No Public Comment
(00:02:38)	Review minutes - June 5th Aug. 21st, and Sept. 15th Sara Duckwall moved to approve this slate of minutes, and Stacy Lewallen seconded the motion. The motion passed with no opposition or abstention.
(00:03:33)	Department updates Workers' Compensation Board case law updates – Lauren Eldridge Lauren Eldridge gave a rulemaking update, explaining that after HB 2799 passed, it increased the amount of litigation costs that workers' attorneys can recover when they prevail over a denial from \$1,500 to \$3,500. The board will update the rule and review requests from OTLA and SAIF to streamline the cost-bill process. An advisory committee report is due Dec. 10 th , after which the board will decide the appropriate rulemaking actions.

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- (00:05:23) Lauren Eldridge gave a presentation on [New or Omitted Medical Condition Claims for Preexisting Conditions](#).
- (00:14:00) Lauren Eldridge ended her presentation, and there were no additional questions.
- Workers' Compensation Division (WCD) updates – WCD Administrator Matt West**
- (00:14:33) Administrator West shared that he and MLAC co-chairs presented at the interim House Committee on Labor and Workforce Development. Chair Grayber had asked for a historical perspective and current activities of MLAC. He shared that chair Grayber showed her appreciation to MLAC for their commitment to the committee and their volunteer work. [Interim House Committee on Labor and Workforce and Workforce Development presentation](#)
- (00:16:17) Administrator West announced that on Sept. 18th, WCD held a hearing for the proposed 2026 rates: the premium assessment rate will remain at 9.8%, the Workers' Benefit Fund payroll assessment will decrease from 2 cents to 1.8 cents per hour, and for self-insured premium assessment, will remain unchanged from 2025 with self-insured employers at 9.8%. The rules will take effect Jan. 1, 2026.
- (00:17:55) Administrator West shared other rulemaking updates to OAR chapter 436:
- Division 50, Employer/Insurer Coverage Responsibility, rules advisory committee met on Aug. 27th, with a hearing set for Oct. 16th on minor updates implementing SB 904 (adding school districts to the self-insurance exception), with an effective date is January 1, 2026.
 - Division 60, Claims Administration, changes to implement HB 2802 (lump-sum settlements), are moving forward after robust discussion with stakeholders at a rules advisory committee meeting on Sept. 10th, with a hearing set for Oct. 23rd, and an effective date of Jan. 1, 2026.
 - Divisions 9, 10, and 15, medical, annual medical fee update, will have a rule advisory committee in November, temporary rules will precede permanent rules slated to take effect April 1, 2026. Input from the Access to Care subcommittee will be discussed during the upcoming rules advisory committee.
 - After the 2026 short legislative session, work will begin on rules for HB 2800, Division 180, related to PEOs (Professional Employer Organization).
- (00:21:39) Co-chair Strickland shared his appreciation to Administrator West, Teri Watson, MLAC members, and stakeholders for their hard work.
- Presentation**
Oregon Institute of Occupational Health Sciences, Oregon Health Sciences University (OHSU) – Erin Flynn, Ph.D., Leslie Hammer, Ph.D., and Steven Shea, Ph.D.,
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- (00:23:33) Steven Shea, Leslie Hammer and Erin Flynn gave a [presentation](#). During the presentation, it was announced that OHSU plans to seek MLAC's endorsement for legislation to change the WBF formula, increasing their base funding from about \$4 million to \$6 million.
- (00:54:33) OHSU ended the presentation.
- (00:55:47) Sara Duckwall asked if the funding is stagnant or indexed. Steven Shea answered that it is not indexed, it is 1/8th of one cent per work hour from the two funds. The funding fluctuates with total hours worked, which was down during covid but now picked up, and currently equates to about \$4.0 million per year. Sara Duckwall asked if indexing the proposal would solve this problem. Steven Shea answered that OHSU spoke with the CFO at DCBS, and the formula approach causes additional work and there might be more efficient ways. OHSU would love to consider an index formula.
- (00:57:21) To co-chair Strickland's question, Steven Shea confirmed that OHSU will return with a legislative concept once developed. Erin Flynn added that OHSU is learning the legislative process and have OHSU lobbyist, Phil Donovan, helping identify a legislative champion and are using MLAC's legislative "to-do" checklist as a guide. They plan to complete the background work and written legislative language by the Dec. 4th MLAC meeting for approval. She followed up on Sara Duckwall's question, answering the financing percentages/formula are confusing, they expect legislative lawyers to sort out a simplified approach to funding, after they identify their asking amount.
- (00:59:51) Co-chair Strickland showed his appreciation for the early outreach. Sara Duckwall mentioned that it would be helpful to understand the impact to the WBF. She showed her appreciation to OHSU, but expressed that it seems unfair for stagnant funding for something that is increasing overtime.
- (01:00:53) Phil Donovan, Lobbyist for OHSU, shared that they have been in close conversation with Senate Labor and Business Chair, Senator Kathleen Taylor, and House and Labor Workforce Development Chair Rep. Dacia Grayber. He shared that Rep. Grayber has already drafted a concept to simply double the current percent of a penny allocation, but the team is working with DCBS on a potentially more elegant funding solution while monitoring broader WBF discussion to see where their proposal fits.
- (01:02:09) Administrator West noted that the division will do an impact assessment to the WBF during the process once the language is established. Steven Shea commented that OHSU wanted to go with Rep. Grayber's idea for double funding, but felt that it might be frowned upon. He hoped that such solution will still be in the cards, and is able to show the numbers where the funding will go.
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(01:04:08) Ryan Hearn suggested that OHSU outlines different values; including different tier levels and how it would affect the WBF overall.

(01:04:53) Jovanna Patrick commented OHSU does not treat injured workers and has a policy against it. She asked what OHSU is doing to provide treatment to injured workers and participate in the workers' compensation system in that way.

Steven Shea mentioned that OHSU does not have any occupational health physicians, but a patient is a patient. He expressed that he did not know OHSU did not treat injured workers, and will take it up with OHSU cabinet and relay their comments back.

(01:06:56) Steven Shea and Erin Flynn noted that OHSU will be reaching out to meet with each MLAC member to register any questions, concerns, or support. Co-chair Strickland suggested to reach out to Teri Watson to connect to the co-chairs and members. Erin Flynn mentioned that OHSU has already met with Co-chair Patrick Priest. Co-chair Strickland shared his appreciation.

Worker Benefit Fund (WBF) – Matt West and Summer Tucker

(01:09:39) Administrator West announced that Sean O'Day has been appointed as Director of the Department of Consumer and Business Services by the Governor, pending confirmation in November. Acting Director Sean O'Day showed his appreciation and shared that he was formerly the deputy director, but for the past two and a half years has been closely following the work of MLAC. Co-chair Strickland congratulated Sean O'Day.

(01:11:30) Administrator West shared a [Workers' Benefit Fund Fact Sheet](#), which gives an in-depth overview of each of the programs funded by the WBF. He explained that previous and anticipated ongoing legislative discussions about the WBF prompted the creation of the document to help MLAC's understanding of the WBF. He thanked Summer Tucker, WCD policy analyst, and the WCD policy team for the creation of the document. Co-chair Strickland shared his appreciation, expressing that the document will be helpful.

MLAC Subcommittee Updates

• Access to Care

(01:15:26) Kim Sclessinger shared that the Access to Care subcommittee has held eight meetings over the summer. She shared the [committee's scope statement and objectives](#). She explained the committee completed some of the objectives or are in the process of finalizing recommendations to report back to MLAC. Kim Sclessinger shared that the committee has heard presentations from Majoris Health on the MCOs' perspective, SAIF's data on HB 3374 (2025), DCBS research team on the providers in Oregon, feedback from multiple providers, and informative perspectives from stakeholders. The committee has compiled issues and proposed solutions into a [spreadsheet](#). The final recommendations will be presented at the next meeting on Nov. 6th.

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- (01:18:52) Co-chair Strickland explained that due to the kind of ongoing and productive work of the subcommittee, final recommendations have been postponed to the Nov. 6th MLAC meeting. He encouraged stakeholders to check out the MLAC subcommittee website for materials.
- (01:20:10) • **Average weekly wage**
 Stacy Lewallen shared that the Average Weekly Wage (AWW) subcommittee has met regularly since May 23rd with strong stakeholder engagement to resume the discussion on SB 705 (2025) as it related to the AWW for low-income workers, and issues within the workers’ compensation system. They’ve begun exploring different options to solving the issue, have asked stakeholders to submit additional proposals, and will meet on Oct. 17th to vet the proposals. The subcommittee aims to present a balanced solution from both labor and management; and will report to MLAC during the Nov. 6th meeting.
- (01:22:01) Co-chair Strickland commended the stakeholders, Stacy Lewallen, and DCBS staff on their hard work and data collection. He noted that finding a balanced approach as brought great engagement from stakeholders. Co-chair Strickland shared that during MLAC’s presentation to the legislature, he flagged that the subcommittee is a perfect example of bringing together stakeholders to present multiple views and chart together a path forward.
- (01:24:04) **Upcoming meetings – Nov. 6th , virtual, and Dec. 4th, in-person.**
 Co-chair Strickland noted during the Nov. 6th meeting, the subcommittees will report their final recommendations. Teri Watson noted that the Nov. 6th meeting will be virtual only, and the Dec. 4th meeting will be in-person. January through April meetings in 2026 will be virtual as DCBS begins moving out of the LNI building.
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Meeting Adjourned Co-chair Strickland adjourned the meeting at 11:25 a.m.

*These minutes include time stamps from the meeting video found here:

<https://youtu.be/x3ZpkTStIDs>

**Referenced documents can be found on the MLAC Meeting Information page here:

<https://www.oregon.gov/DCBS/mlac/Pages/2025-meetings.aspx>