WORKERS' COMPENSATION

MANAGEMENT-LABOR ADVISORY COMMITTEE Average Weekly Wage Subcommittee Committee Meeting

June 13, 2025 10:00 a.m.– 12:00 noon

Committee members present via zoom:

Scott Strickland, Sheet Metal Workers Local 16 Stacy Lewallen, Fortis Construction Inc.

Staff:

Teri Watson, MLAC Committee Administrator Baaba Ampah, MLAC Assistant

Agenda Item	Discussion
Opening	
(00:00:28)	Co-chair Stacy Lewallen called the meeting to order, and shared the agenda.
	Historical Timelia of (C 2/2 Time I am
(00:02:11)	Historical Timeline of 66 2/3 Time Loss Summer Tucker, WCD Policy Analyst, presented a <u>Temporary disability rate history</u> .
(00:18:54)	Cochair Lewallen suggested researching standard FICA, federal and Oregon income tax rates in 1969 to compare as a frame of reference. Both co-chairs showed their appreciation to Summer Tucker's presentation.
(00:21:28)	Matt West, WCD Administrator, shared that 37 states including Oregon, has the 66 2/3 rate, two states are lower at 60% and 62%, and one state is at 67%. Two states utilize 70% of the workers' actual wage, two state use 70% of workers' net wage, and 4 states use 80% of workers' net wage. He will return back with further answers to co-chair Lewallen's questions regarding a tiered approach.
(00:23:33)	Thais Lomax, Sedgewick, noted that states like Washington consider dependents and health coverage as factors to average weekly wage (AWW). Co-chair Lewallen suggested research on states who utilize spendable wage. WCD will research the different methodologies used in other states.
(00:27:34)	SB 705 – Odalis Aguilar-Aguilar, Oregon AFSCME Political Coordinator Odalis Aguilar-Aguilar presented <u>AFSCME</u> 's SB 705 and shared a <u>AFSCME</u> Worker Safety Report.
(00:38:38)	Odalis Aguilar-Aguilar ended the presentation.
(00:38:48)	Co-chair Lewallen asked if there is historical information on how long people are out on workers' compensation leave and its impact on benefits loss.

(00:40:20)Co-chair Strickland asked if there was data regarding the number of workers that lose access to retirement contributions and health insurance while receiving workers' compensation benefits. He also suggested examining data if there is benefit replacement in other states and how Medicaid is utilized by workers. (00:41:54)Co-chair Lewallen asked to examine data regarding pre-injury net pay versus post-injury net pay. She asked for data on workers who are not filing workers' compensation claims. (00:43:04)She asked for data on the consistency and timeliness of workers' compensation benefits by insurers. Matt West and Amber McMurry, Multnomah County, clarified that the first paycheck is 14 days after the employer's date of knowledge of injury. After the first payment, workers have an option to follow employer's pay schedule determined by employer and insurer or Third Party Administrator. (00:46:30)Co-chair Strickland mentioned that as data investigations continues, there might be a lot of gaps in data due to workers who do not engage in the system or drop out of it. He noted that this issue is unrecorded financial issue that might shift to the insurer or employer. Matt West clarified that there might not be data on how often workers are not filing a claim, but he is not certain. (00:49:40)Barbara Anderson, Ombuds for Oregon Workers, agreed that there is no data regarding workers not filing claims. She explained that workers do not realize how little they will be receiving and how hard it would be until they are already in the system, and start acquiring debt. Barbara Anderson clarified that part of the problem is the 14-day payment date, and the other part is receiving less than their actual paycheck plus other variables. Co-chair Lewallen noted collecting data on instances where workers are making less than the average weekly wage. (00:54:21)Thais Lomax clarified that there was a committee that published an industry notice in 2018 on how to calculate AWW for various employee types. She suggested reviewing the notice for clarification. (00:56:21)Jovanna Patrick, OTLA, stated the initial benefit payments are based on good faith, and after a couple of payments, the insurer properly calculates the benefit amount. This can sometimes result in overpayment or underpayment of the initial payments, and the worker must payback through reduction of upcoming payment benefits. Even if there is overpayment from an previous claim, the worker might have it deducted by their current claim. Policy Discussion –Average weekly wage for low-income workers (00:59:53)Co-chair Strickland noted that it seems like the AWW increase for low income workers is out of step with the 66 2/3 rule, which seems close for the 1960s and

	1970s. He suggested having a discussion on the implication of health care and retirement. Co-chair Strickland explained data on an inflation adjusted of his experience in the workers' compensation system back in 2016, and noted that he would lose \$182,000 based on one-year of injury and a \$5,000 contribution. Also an additional loss of \$20-25,000 a year of healthcare contributions. Which is a total of \$17,000 a month or \$4,000 a week of benefit loss. He framed the discussion should be a balance of data points and policy discussion of not putting workers in an undue burden.
(01:05:37)	Co-chair Lewallen asked for data on standard policies for long-term an short-term disability. Also data on workers who are receiving benefits for disabilities related to workers' compensation versus non-workers' compensation disability.
(01:06:42)	The June 27 th meeting was cancelled to allow for time data collection and analysis.
(01:09:07)	Anything else that should be included Odalis Aguilar-Aguilar's question was confirmed that a worker can withdraw a claim at any point.
(01:12:08)	Co-chair Strickland asked if there is any formal survey data collection on injured workers and their experience in the workers' compensation system. Barbara Anderson answered that it is not formally required, but SAIF conducts similar surveys. Ivo Trummer confirmed.
(01:14:20)	Thais Lomax noted that it depends on the contract, Sedwick sends text survey when claims are filed and after the claim is closed. Ivo Trummer noted SAIF does not conduct surveys on represented workers.
(01:16:49)	Odalis Aguilar-Aguilar will provide the AFSCME's survey, including metrics involving the number of respondents and any available data breakdowns.
	Public Comment/Stakeholder Feedback
(01:18:43)	There were no additional comments.
(01:19:18)	Co-chair Lewallen adjourned the meeting at 11:20 p.m.

^{*}These minutes include time stamps from the meeting video found here: https://youtu.be/tA3CK-pplsY

^{**}Referenced documents can be found on the MLAC Meeting Information page here: https://www.oregon.gov/DCBS/mlac/Pages/access-to-care-subcommittee.aspx