



Permanent Total Disabilities in the Oregon Workers' Compensation System, 2008

Information Management Division

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By [Russ Reed](#)

Permanent total disability means “the loss, including pre-existing disability, of use or function of any portion of the body which permanently incapacitates the worker from regularly performing work at a gainful and suitable occupation” (ORS 656.206).

In 2008, 10 Oregon workers received **PTD grants**, as shown in Table 1. Insurers closed eight of the claims, all of which were original claim closures. The other two grants were by department reconsideration. For the reconsiderations, the two closure awards had been 25 percent impairment with 49 percent work disability, and 11 percent impairment with 46 percent work disability.

There were no grants by litigation (the latest hearing PTD grant was a reinstatement in 2006). The Court of Appeals hasn't granted or rescinded a PTD award since 1990.

All of the 2008 grants were first-time awards; none were reinstatements of prior awards that had been rescinded.

There was just one **PTD rescission** in 2008, tying the record-low values for 2006 and 2007. The worker had been granted PTD the same year, and the rescission was by hearing opinion and order (which was appealed). Of the 20 claims with PTD rescinds in 2003-2007, 15 had PTD reinstated, 18 released benefits via a claim disposition agreement, and all but the 2008 rescission have done one or both. All 17 of the awards rescinded in 2003-2005 were by insurer redetermination; on the other hand, the three in 2006-2008 were by department reconsideration or hearing.

The recent changes in the numbers and levels of PTD rescinds may be due in significant part to Senate Bill 386 (effective January 2006). To rescind a PTD award, the

Table 1. PTD award grants and rescissions, by order level, Oregon, 1999-2008

Year of award	Claim closure			Reconsideration			Hearing			Board review*			All levels			Net grants
	Grant		Re-scind	Grant		Re-scind	Grant		Re-scind	Grant		Re-scind	Grant		Re-scind	
	Orig.	Re-in.		Orig.	Re-in.		Orig.	Re-in.		Orig.	Re-in.		Orig.	Re-in.		
1999	16	0	7	2	0	0	3	3	2	0	1	2	21	4	11	14
2000	6	0	6	3	0	0	2	3	0	0	0	0	11	3	6	8
2001	11	0	13	1	0	0	0	1	1	0	0	0	12	1	14	-1
2002	12	0	3	4	1	0	0	6	0	0	0	0	16	7	3	20
2003	7	0	6	1	1	0	0	4	0	0	1	0	8	6	6	8
2004	11	1	7	0	0	0	0	8	0	0	0	0	11	9	7	13
2005	15	0	4	0	0	0	1	2	0	2	0	0	18	2	4	16
2006	8	0	0	5	1	1	0	1	0	3	0	0	16	2	1	17
2007	13	0	0	2	0	0	0	0	1	0	0	0	15	0	1	14
2008	8	0	0	2	0	0	0	0	1	0	0	0	10	0	1	9

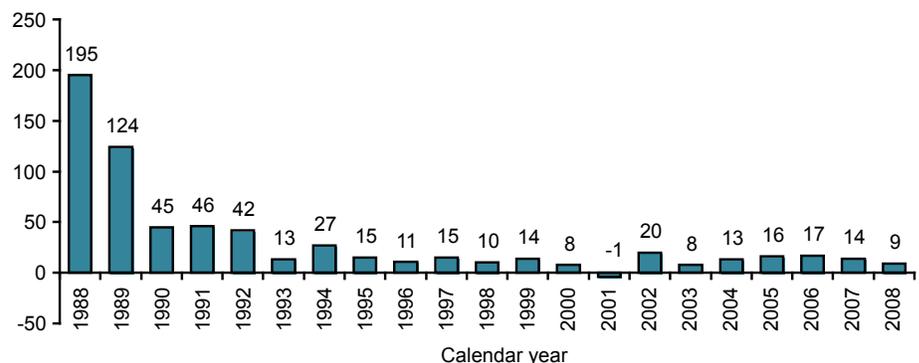
Notes: “Claim closure” includes department determination orders and insurer notices of closure. (Claim closure responsibility was transferred from the department to insurers and self-insured employers in 2000.) “Grant” includes original awards (Orig.) and reinstatements of awards (Re-in.).

*The 2005 and 2006 board grants were all by **own motion**.

law now requires that (1) insurers show material medical or vocational improvement, (2) reports supporting rescissions include one whose author personally observed the worker, (3) benefits continue during appeal, and (4) workers are eligible for vocational assistance upon PTD termination.

The graph gives historical values of **net PTD grants**. Since 1988, PTD grants, and hence net grants, have declined faster than the number of claims: accepted disabling claims fell by 46 percent from 1988 to 2007, while net PTD grants fell by 93 percent.

Net PTD grants, Oregon, 1988-2008



Notes: “Net grants” is grants minus rescissions. Net grants peaked in 1975 at 299. The 1988 value was the highest since 1978.

The primary reasons for decreasing PTD awards are:

- (1) fewer injuries and accepted disabling claims;
- (2) less-severe injuries, with less impairment;
- (3) law changes in 1987 by HB 2900 (disability standards, reduced board own-motion authority, and change in the court review standard to “substantial evidence”);
- (4) law changes in 1990 by SB 1197 (CDAs, required reconsideration of claim closures, elimination of “clear and convincing evidence” as a reason to exceed the disability standards, and medical arbiters for impairment disputes); and
- (5) law changes in 1995 by SB 369 (limitation on evidence and issues after reconsideration, and the definition of “gainful occupation”).

Table 2 provides information about the claims and workers with PTD grants. In the past several years, head and “multiple parts” have been the body parts most often injured; for 2008, five claims were multiple parts and four were head injuries. Falls and highway accidents have been the most frequent causal events in recent PTD-grant claims. In 2008, the most frequent causal event was “struck by object,” with three claims; in two claims vehicles struck pedestrians, and only one was a fall. Only one-fifth of 2008 PTD grants were for claims with accepted psychological conditions, compared to half in 2006.

Table 3 provides time-lag data about the PTD grants. The average hire-to-injury time, for the eight grants with hire data, was 5.3 years; three of these workers were on the job less than a year when injured. The average age at injury of the workers was more than 48.

Table 2. Characteristics of Oregon claims with PTD grants in 2008

Item	Classification	Cases	Percentage
Insurer	SAIF	5	50.0%
	Priv. ins. except Liberty	2	20.0%
	Self-insured employer	2	20.0%
	Liberty group	1	10.0%
Gender	Male	8	80.0%
	Female	2	20.0%
Industry	Government	2	20.0%
	Manufacturing	2	20.0%
	Services, trucking	2	20.0%
	Wholesale trade	2	20.0%
	All other	2	20.0%
Body part (principle)	Multiple parts	5	50.0%
	Head	4	40.0%
	Neck	1	10.0%
Nature	Multiple injuries	4	40.0%
	Traumatic, intracranial	3	30.0%
	Traumatic, other	2	20.0%
	Unknown	1	10.0%
Event	Struck by object	3	30.0%
	Pedestrian struck by vehicle	2	20.0%
	Other	4	40.0%
	Non-classifiable	1	10.0%

Table 3. Time lags (years), Oregon 2008 PTD grants

Time lag	Mean	Range of values	2007 mean
Tenure at injury	5.3	0.0 - 16.6	7.2
Age at injury	48.5	26.8 - 69.6	52.4
Age at PTD award	51.6	29.4 - 71.1	56.7
Time, injury to award	3.1	1.2 - 5.5	6.1

Notes. All values are in years, rounded to 1/10 year. Data on tenure were not available for two workers. There were no reinstatements. Data for 2007 are provided for comparison.

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DEPARTMENT OF
CONSUMER
& BUSINESS
SERVICES
Information Management Division
350 Winter St. NE, Room 300
P.O. Box 14480
Salem, OR 97309-0405
503-378-8254