



First Glance at Accepted Disabling Claims, 2004

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The Oregon Workers' Compensation Division (WCD) received 22,325 accepted disabling workers' compensation claims during calendar year 2004. Of these claims, 46 were fatalities. Accepted disabling claims are those that are accepted by insurers and received by WCD for disabling occupational injuries or diseases. This is the second lowest number of accepted disabling claims received since 1966 legislative reforms made workers' compensation insurance mandatory for most employers and standardized data collection began.

Employment, accepted disabling claims and claims rates, Oregon, 1990-2004

Year	Employment ¹	Disabling claims		Fatalities	
		Number	Rate ²	Number	Rate ³
1990	1,258,600	35,857	2.8	64	5.1
1991	1,258,600	31,479	2.5	65	5.2
1992	1,280,500	30,786	2.4	63	4.9
1993	1,317,100	30,741	2.3	64	4.9
1994	1,378,800	31,530	2.3	55	4.0
1995	1,431,600	30,564	2.1	48	3.4
1996	1,487,300	28,389	1.9	54	3.6
1997	1,547,800	27,922	1.8	43	2.8
1998	1,576,100	27,049	1.7	52	3.3
1999	1,602,700	25,802	1.6	47	2.9
2000	1,627,600	25,365	1.6	45	2.8
2001 ⁴	1,616,400	24,645	1.5	34	2.1
2002 ⁴	1,596,100	23,482	1.5	52	3.3
2003 ⁴	1,585,800	21,832	1.4	41	2.6
2004 ⁵	1,635,100	22,325	1.4	46	2.8

Notes:

¹ 1990-2004 Employment figures are estimated workers' compensation covered employment developed primarily from data supplied by the Oregon Employment Division. Figures represent annual average employment.

² Claims rates are the number of claims per 100 workers. Disabling claims include fatalities.

³ Fatality rates are the number of fatality claims per 100,000 workers.

⁴ 2001-2003 figures have been updated since the SICS/NAICS conversion.

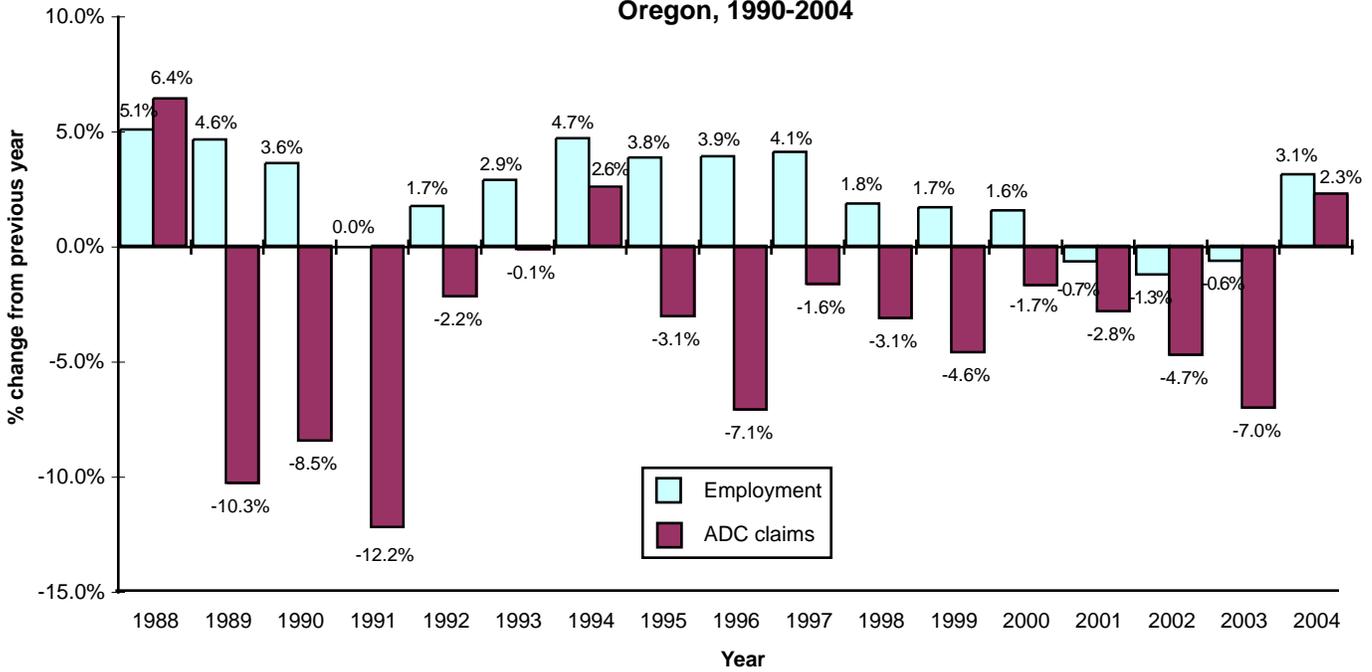
⁵ 2004 employment, claims rate, and fatality rate estimates are preliminary.

[Link to industry claims distribution.](#)

The statewide claims rate remained at 1.4 claims per 100 workers, which in 2003 became the lowest claims rate ever recorded in Oregon (see table, above). The fatality rate increased to 2.8 claims per 100,000 workers, up from 2.6 fatal claims per 100,000 workers in 2003.

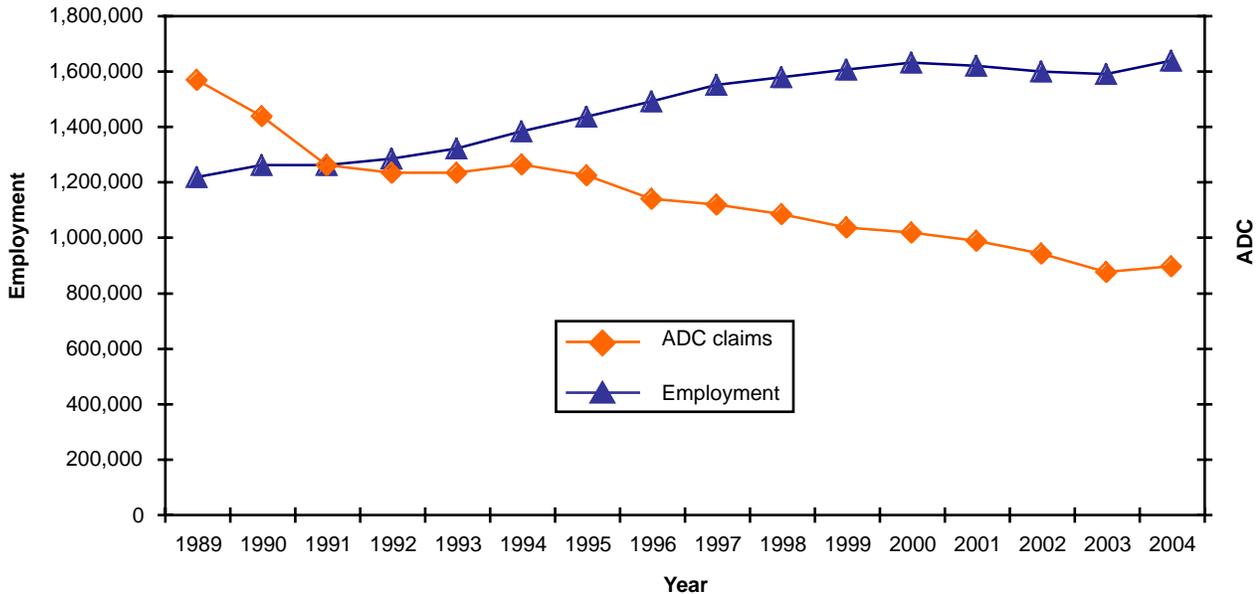
Following a three-year period of declining figures, the number of workers covered by Oregon's workers' compensation law reached its highest level ever in 2004.

**Figure 1. Percentage change of employment and accepted disabling claims
Oregon, 1990-2004**



In 2004, the number of accepted disabling claims increased 2.3 percent from the number in 2003, while the number of workers covered by workers' compensation rose 3.1 percent (see Figure 1). Although the number of accepted disabling claims increased for the first time in four years, the 2004 figure represents a 12.0 percent decrease in the number of claims since 2000.

**Figure 2. Employment and accepted disabling claims trends,
Oregon, 1989-2004**



The trend of steadily declining claims rates began in the late 1980s (see Figure 2), following record high premium rates, claims costs, and numbers of claims. In 1986, Oregon employers paid the sixth-highest average workers' compensation premium rates in the country. Medical and permanent disability costs for injured Oregonians were among the highest in the nation, while benefits were considered among the lowest. These factors led to many changes to Oregon's workers' compensation system.

The 1987 legislature took the first major step by enacting House Bill 2900. This bill expanded OR-OSHA's consultative program, requiring insurers and self-insured employers to provide safety and health loss-prevention programs, and increased penalties against employers who violate the Oregon Safe Employment Act. Three years later, Senate Bill 1197 was passed, which expanded on HB 2900 and required many employers to establish safety committees.

With Senate Bill 1197, the legislature also changed the definitions of compensability. The bill required that a compensable injury or disease must be established by medical evidence and supported by objective findings. The compensable injury, and not a pre-existing condition, must be the major contributing cause of the worker's condition. The condition for a compensable occupational disease must be caused by substances or activities to which an employee is not ordinarily subjected. Injuries from recreational and social activities are excluded, as are injuries where clear, convincing evidence proves that alcohol or drugs are the major contributing cause. (The standard of proof was reduced to "preponderance of evidence" by the 1995 legislature.) More refinements to the reforms were enacted during subsequent legislative sessions.

In 2001, the legislature enacted several workers' compensation bills that affected various facets of Oregon's workers' compensation system. The most complex and comprehensive was Senate Bill 485, which was created to correct unanticipated imbalances and consequences of previous legislation. One of the bill's key changes was to narrow the definition of preexisting conditions. With the exception of arthritis, untreated and undiagnosed preexisting conditions are no longer grounds for denying compensability. Additionally, the burden of proving the existence of a preexisting condition is now placed upon the employer rather than the claimant.

In 2003, a collective bargaining agreement made home-health workers, who had not generally been covered by workers' compensation insurance, eligible for such coverage under provisions negotiated among the Oregon Department of Administrative Services, the Department of Human Services, and SAIF Corporation. In 2004, there were over 16,000 covered home-health workers.

For a more comprehensive and chronological history of legislative reforms, see Appendix 1 of the report [Biennial Report on the Oregon Workers' Compensation System](#).

In addition to the effects of workers' compensation reforms, changes in claims handling procedures and claims management by insurers and employers have been reported as contributing to the decline in the rate of accepted disabling claims. Another influence may be a shift in Oregon's economy over the past 15 years, with fewer workers in the hazardous wood products industry, and more workers in comparatively safer high-tech and service industries.

Finally, the increased emphasis on safety and health has played a vital role in the reduction of both the number and frequency of work-related claims in Oregon. With employers, workers, and government working together, Oregon's work sites have become safer.

If you have questions about the information contained in this document, please contact by e-mail or phone: [Juli Ross-Mota](#), research analyst, (503) 947-7359, Research & Analysis Section, [Information Management Division](#).

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