

Permanent Partial Disability

Status Update 2023

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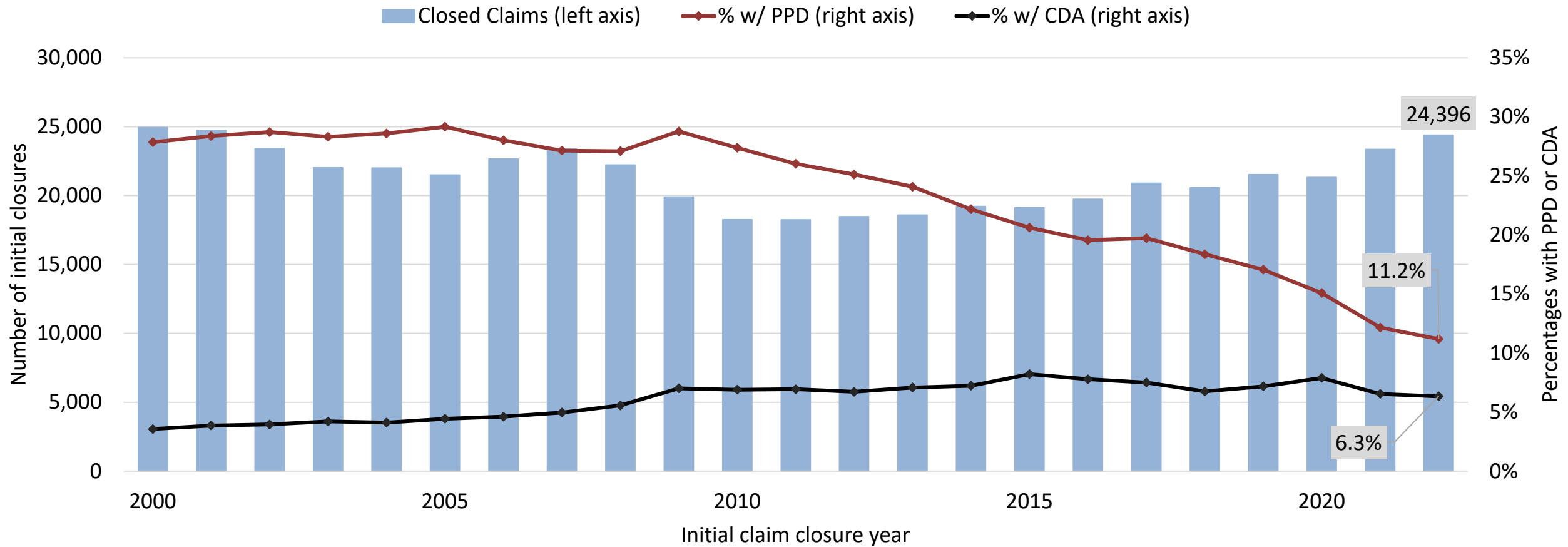
Introduction

- Senate Bill 757 (2003)
 - Modified PPD rating criteria and benefit calculations for injury dates later than Jan. 1, 2005
- House Bill 2408 (2005)
 - Further modified PPD rating criteria
- House Bill 2244 (2007)
 - Made new PPD benefit structure permanent
 - Required biennial review of PPD benefits by MLAC

PPD Overview

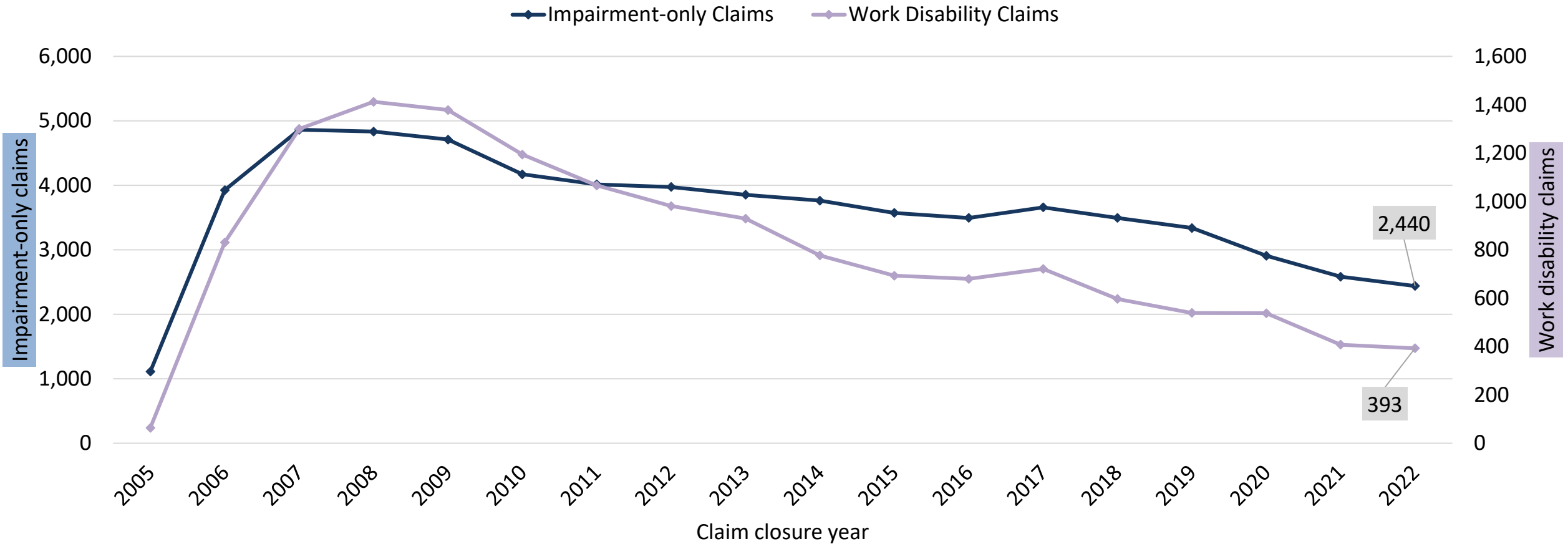
- Permanent loss of use or function of any portion of a worker's body resulting from accepted disabling conditions
- After a medical provider describes the permanent loss of use or function and the worker is considered medically stationary, the insurer uses the steps outlined in administrative rule to rate the impairment and award due the worker
 - [OAR 436-035-0008](#) (for dates of injury prior to 1/1/2005)
 - [OAR 436-035-0009](#) (for dates of injury after 1/1/2005)
- Alternately, the worker and insurer can agree to a Claim Disposition Agreement (CDA)

Initial claim closures since 2000



- Initial claim closures are closed claims plus those that were closed with a CDA
- Steep decline of PPD awards and slow increase in CDAs since 2000

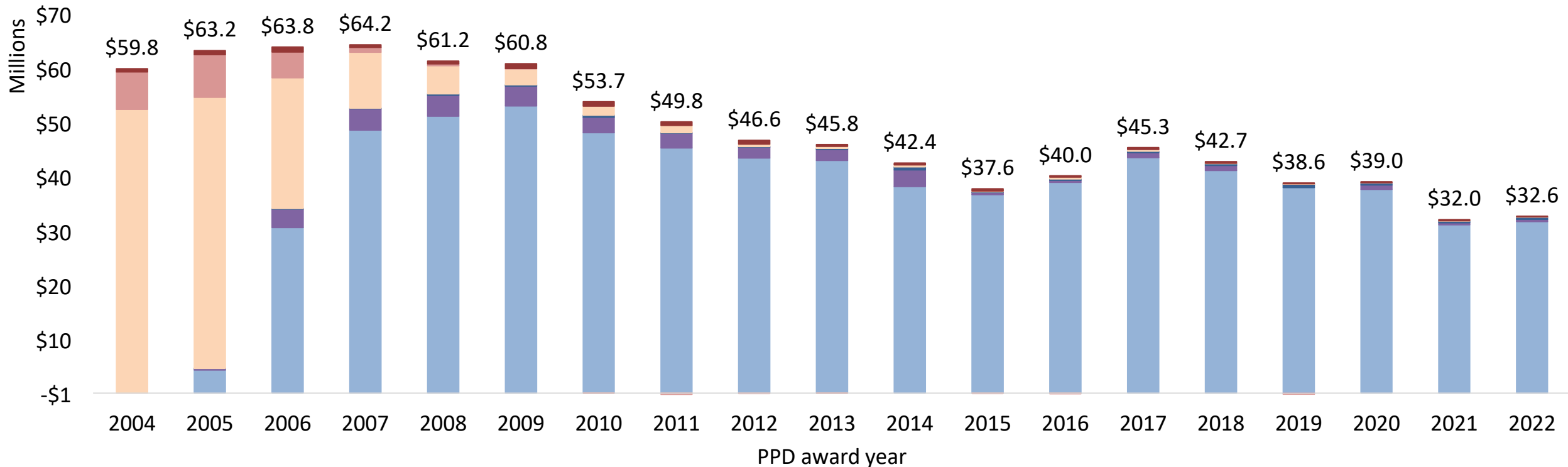
PPD claims by type



- **Impairment-only:** loss of function (e.g., strength loss, decreased range of motion, amputation)
- **Work disability:** inability to return to regular work
 - Note: this is in addition to impairment benefits

PPD awards by PPD structure and award level

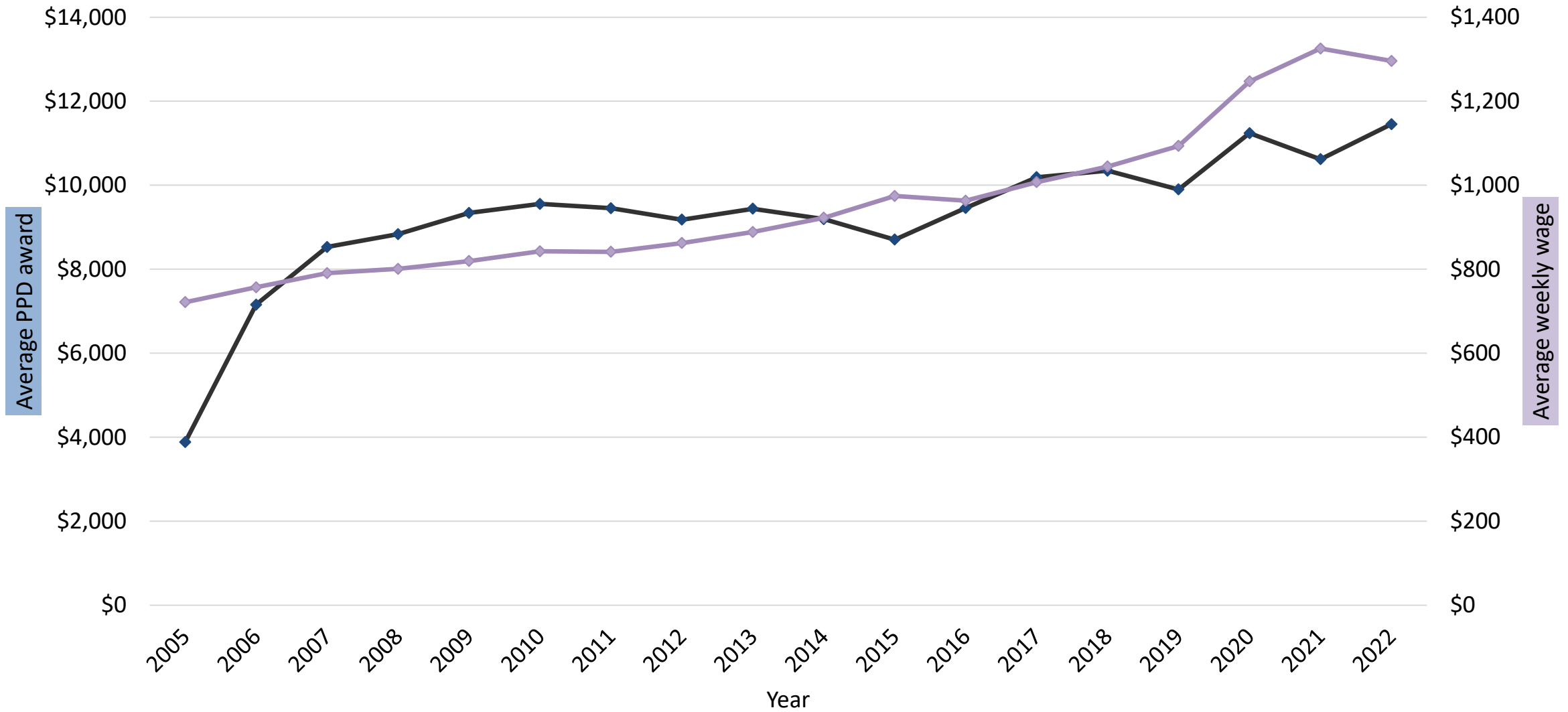
■ Current structure - Insurer closure
 ■ Current structure - Reconsideration
 ■ Current structure - WCB and Higher
■ Pre-2005 structure - Insurer closure
 ■ Pre-2005 structure - Reconsideration
 ■ Pre-2005 structure - WCB and Higher



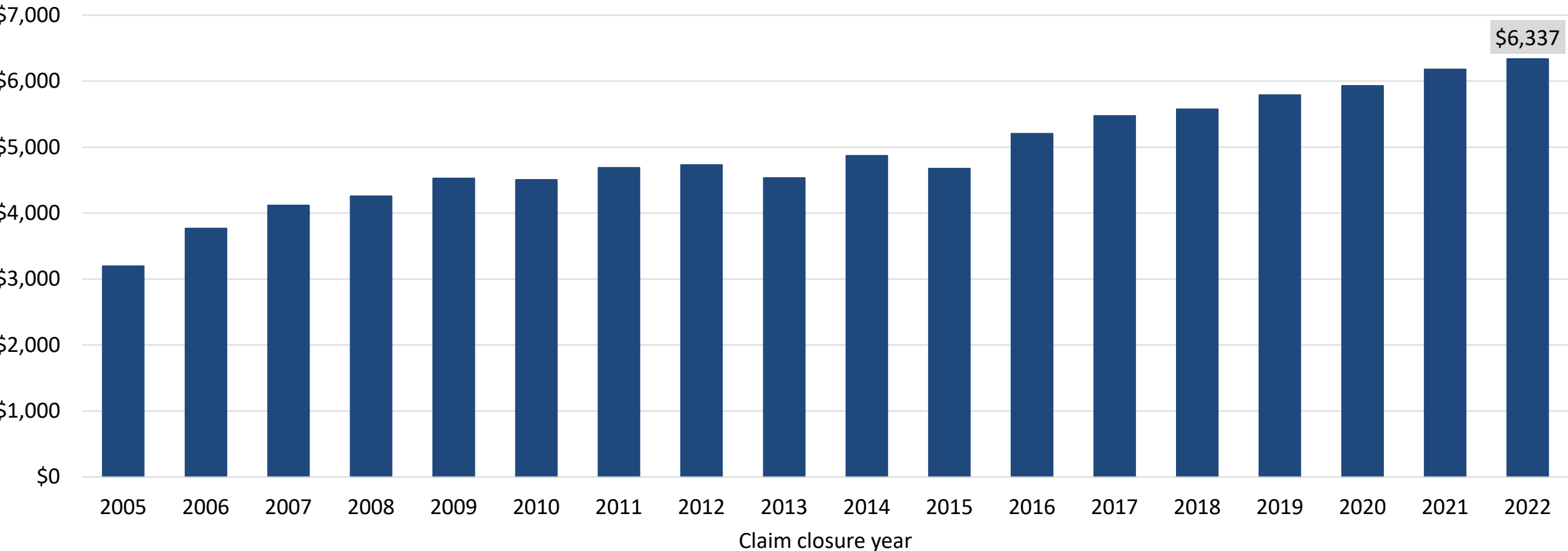
- Pre-2005 structure awards continue to decline towards \$0 as claims with injury dates before Jan. 1, 2005, drop out
- In 2022, over 97 percent of PPD award dollars were granted by the insurer, 1.3 percent by WCD reconsideration orders, and 1.5 percent by WCB orders, hearings, and Own Motion cases

Average PPD award and average weekly wage

◆ Average Award - All PPD Claims ◆ AWW



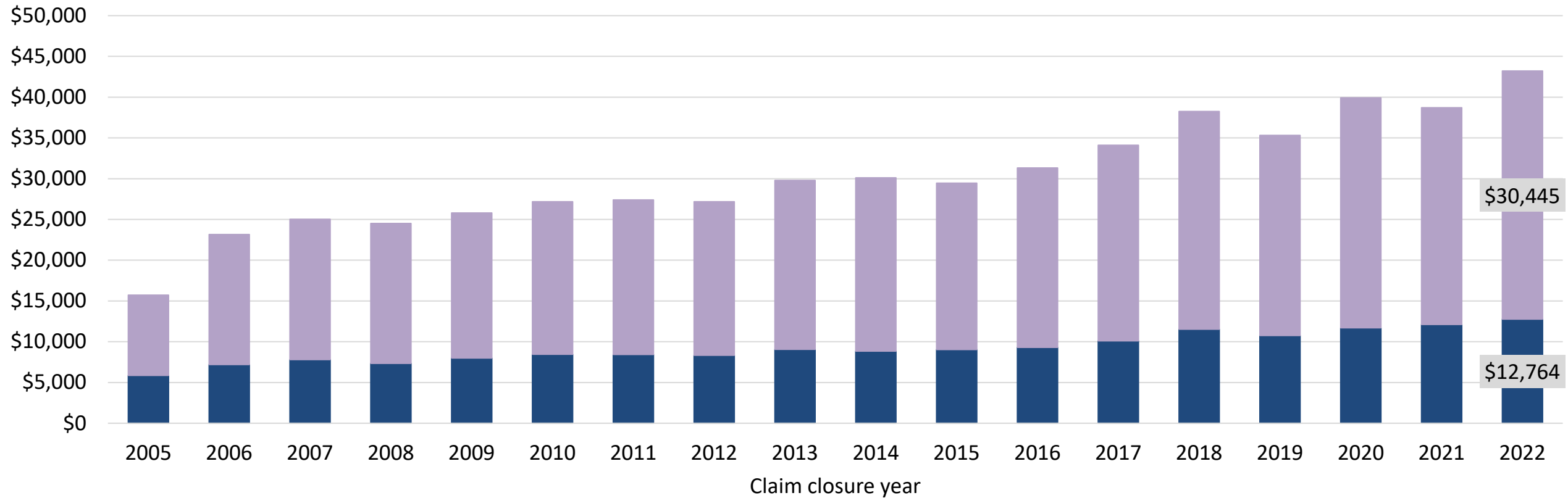
Average award - Impairment-only claims



- Average PPD award for impairment-only claims has grown 3.8 percent since 2013

Average award - Work disability claims

■ Impairment Awards ■ Work Disability Awards



- About 70 percent of work disability claim payments go toward work disability; 30 percent go toward impairment

