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Injured Worker Protection Bill Passes Senate

House Bill 4138 will strengthen workers compensation, help injured workers rebuild lives

SALEM – Today, the Senate approved <u>House Bill 4138</u> on a vote of 25 to 1. This legislation will protect injured workers on their path to stability by preventing unexpected clawbacks of insurance payments and providing greater financial stability for injured workers.

"Even when an injured worker has been doing everything they need to do – following doctor's orders, staying off work as directed, their financial stability can be quickly upended by a surprise reduction in expected insurance benefits," said Senator Kayse Jama (D-Portland), Co-Chief Sponsor of House Bill 4138, who carried the bill on the Senate floor. "House Bill 4138 will help workers on their path to rebuilding their lives following an on-the-job injury."

Workers' compensation law requires most employers to provide their workers with workers' compensation insurance coverage. Under time loss benefits, an injured worker can receive a portion of their typical salary as they recover with the intention to return to work. If a worker's medical service provider determines the worker is "medically stationary," which means the worker's condition is unlikely to improve, time loss benefits cease. This determination can be applied retroactively, leading to unexpected financial shortfalls for an injured worker.

House Bill 4138 requires insurers to give written notice to an injured worker before suspending time loss payments and gives injured workers the ability to work with their medical provider to authorize time loss payments back to the date the worker's eligibility ended. It also limits how far back a medical provider can retroactively declare a worker is medically stationary. Lastly, the measure limits overpayment recovery to no more than 50 percent of the worker's total award and establishes a two-year window for an insurer to declare an overpayment.

House Bill 4138 now goes to the Governor for her signature.