

# Senate Bill 754

Sponsored by Senator WALKER; Senators MORSE, PROZANSKI

## SUMMARY

The following summary is not prepared by the sponsors of the measure and is not a part of the body thereof subject to consideration by the Legislative Assembly. It is an editor's brief statement of the essential features of the measure **as introduced**.

Requires Department of Consumer and Business Services to study effect of denials in workers' compensation claims on costs of other public programs and private insurance in Oregon. Requires report of results of study to Legislative Assembly.

Declares emergency, effective on passage.

## A BILL FOR AN ACT

1  
2 Relating to study of cost effect of denials in workers' compensation claims; and declaring an emer-  
3 gency.

4 **Be It Enacted by the People of the State of Oregon:**

5 **SECTION 1. (1)(a) The Department of Consumer and Business Services shall study the**  
6 **impact that the denial in workers' compensation claims has on services and benefits provided**  
7 **by other public programs and private insurance carriers.**

8 **(b) The department shall contract for the study required by this section with an entity**  
9 **that has no interest in the outcome of the study.**

10 **(2) The study shall include, but need not be limited to, consideration of:**

11 **(a) Initial denials of workers' compensation claims;**

12 **(b) Services and benefits received by injured workers as a result of conditions denied in**  
13 **workers' compensation claims;**

14 **(c) Costs incurred by public programs and private insurance carriers as a result of pro-**  
15 **viding services and benefits to injured workers whose workers' compensation claims have**  
16 **been denied; and**

17 **(d) Costs borne directly by injured workers whose claims have been denied.**

18 **(3) The results of the study shall be reported to the Legislative Assembly in the manner**  
19 **prescribed by ORS 192.245 by September 30, 2006.**

20 **SECTION 2. Notwithstanding ORS 656.605, moneys in the Workers' Benefit Fund may be**  
21 **expended to reimburse the Department of Consumer and Business Services for expenses re-**  
22 **lated to the study required under section 1 of this 2005 Act.**

23 **SECTION 3. This 2005 Act is repealed on January 2, 2008.**

24 **SECTION 4. This 2005 Act being necessary for the immediate preservation of the public**  
25 **peace, health and safety, an emergency is declared to exist, and this 2005 Act takes effect**  
26 **on its passage.**

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**NOTE:** Matter in **boldfaced** type in an amended section is new; matter [*italic and bracketed*] is existing law to be omitted. New sections are in **boldfaced** type.