



Oregon House Bill 2797 clarifies the timeline for payment of an injured worker's first temporary disability installment

By Kelly J. Niemeyer ■ June 23, 2015

A new amendment clarifies the 14-day requirement that Oregon employers are to pay the first installment of temporary disability compensation in workers' compensation claims. The new statute requires payment of the first installment within 14 days if the employer has both (1) notice or knowledge of a claim, and (2) notice of the worker's disability if the medical provider has authorized temporary disability compensation.

Previously, the statute required the employer to pay the first installment of temporary disability compensation within 14 days of notice or knowledge of the claim alone, if the medical provider authorized the payment of temporary disability.

The amendment to ORS 656.262(4)(a) provides:

The first installment of temporary disability compensation shall be paid no later than the 14th day after the subject employer has notice or knowledge of the claim **and of the worker's disability**, if the attending physician or nurse practitioner authorized to provide compensable medical services under ORS 656.245 authorizes the payment of temporary disability compensation.

The statute, as previously worded, caused challenges for employers in determining when the 14-day timeline went into effect. The new amendment to ORS 656.262(4)(a) eliminates the ambiguity created when an employer has knowledge or notice of a claim, but is not necessarily aware that temporary disability has been authorized. Under the previous statute, the 14-day timeline could theoretically be running even though the employer was unaware the medical provider authorized temporary disability compensation. The newly amended statute should help to reduce litigation and penalties related to improper claim processing. This is positive news in an otherwise concerning 2015 legislative session for employers and insurers.

Oregon House Bill 2797 was signed into law by Governor Kate Brown on June 2, 2015. Many individuals took part in the implementation and passage of this bill. According to the Oregon Self-Insurers Association, special credit is due to its long-time Legislative Committee member Larry Bishop for the passage of this measure.

If you have questions about this or any other bills at issue for the 2015 legislative session, or other workers' compensation matters, please do not hesitate to contact this author or any of the other Oregon practice attorneys at Reinisch Wilson Weier PC. ■

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