

Oregon Workers' Compensation

Claim Disposition Agreement (Compromise and Release _____)	Topic of Interest
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Under Oregon law an injured worker may settle a workers' compensation claim except for medical benefits and eligibility for Preferred Worker status. Such a settlement is usually called a "compromise and release" or "claim disposition."

Effects of a claim disposition agreement

In return for an agreed upon amount of money, an injured worker may give up or "release" the right to such things as:

- ◆ All rights under Chapter 656 other than those under ORS 656.245
- ◆ Claim closure and disability rating
- ◆ Vocational assistance benefits
- ◆ An award for permanent partial disability
- ◆ Monthly payments for permanent total disability
- ◆ Future time-loss benefits
- ◆ Aggravation rights to reopen claim
- ◆ Survivor's Benefits

In fact, the only things the worker is not allowed to release are rights to medical benefits and eligibility for Preferred Worker status. However, if the disposition states the claim is "closed" or the worker's condition is "medically stationary," further medical treatment will be strictly limited.

If a permanent partial disability award has not been fully paid, the injured worker could lose any unpaid award by signing a claim disposition agreement. To avoid this, payment of the award can be included in the terms of the disposition, or the worker can ask the insurer for a "lump sum" payment of the award prior to submission of the disposition.

If a worker is disabled under social security, the amount of the claim disposition may offset social security payments. Social security may not be paid until the offset is complete.

Moneys payable from a claim disposition may also be subject to an order to enforce child support obligations.

Requirements and restrictions

The disposition must identify accepted conditions and released benefits

The disposition must note the accepted medical conditions it is based on, and exactly what benefits related to those conditions are being released. This helps the worker compare the benefits normally paid for those conditions with the dollar amount being offered.

The worker must be informed about the meaning of a disposition

An enclosure to accompany the proposed agreement has been prepared by the Workers' Compensation Board to explain the basic meaning of claim disposition.

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If the worker does not have an attorney, he or she has the right to personally meet and discuss the proposed agreement with the Workers' Compensation Board. The worker may also consult the Ombudsman for Injured Workers, whose job it is to help injured workers. There are no fees or charges for these services.

The worker has the right to an attorney

The attorney may charge a fee if the disposition is approved by the Workers' Compensation Board. The fee will be subtracted from the settlement. The worker also may have to pay the attorney for money actually spent while working on the disposition, even if no agreement is reached.

30 day "cooling off" period

After the worker signs the claim disposition agreement, it will be sent to the Workers' Compensation Board. Once the Board has accepted it, they will hold it for 30 days. Unless the disposition states otherwise, no benefits will be paid during this 30 day "cooling off" period.

Within the 30 day period, the worker may write the Board and ask them to disapprove the disposition. If the disposition is disapproved, the insurer must resume paying benefits **if they are due**.

The Board will otherwise approve the disposition in 30 days unless the Board finds it to be unreasonable or the result of misrepresentation. When approved, it becomes final. The disposition cannot be appealed to any agency or court.

Payment of claims disposition agreement

Payment of the disposition must be made no later than the 14th day after the Board mails the agreement to the parties, unless otherwise stated in the agreement. If payment is not made, the Benefits & Certification Unit or the Ombudsman for Injured Workers will help the injured worker obtain payment. The Board cannot help the worker obtain payment of the disposition.

Questions? – Call these numbers:

Benefits & Certification Unit:

Toll-free 1-800-452-0288 (V/TTY)

Salem (503) 947-7585 (V/TTY)

Ombudsman for Injured Workers:

Toll-free 1-800-927-1271

Salem (503) 378-3351

or (503) 378-3200 (V/TTY)

Workers' Compensation Board Claims Disposition Agreement Unit:

Salem (503) 378-3308 (V/TTY)