

Oregon Workers' Compensation

Topic of Interest

Lump Sum Payments _____

When a worker receives an award for permanent partial disability, which does not exceed \$6000, the insurer must pay all of the award in a lump sum. If the award is greater than \$6000 the insurer may approve a lump sum payment if the order is final by law or the worker has waived their right to appeal the adequacy of the award.

If the insurer agrees with the worker's request, the lump sum payment must be made within 14 days of the receipt of the signed application.

If the insurer disagrees with the request they must complete the application indicating the reason for denying the request and return to the worker within 14 days. (ORS 656.230)

The insurer will not approve a lump sum payment when the worker:

- ◆ The worker has not waived the right to appeal the adequacy of the award.
- ◆ The award has not become final by operation of law.
- ◆ The payment of compensation has been stayed pending a request for hearing or review.
- ◆ The worker is enrolled and engaged in a vocational training program, will start the program within 30 days, or has temporarily withdrawn from a training program. (*OAR 436-060-0040(3) If the worker begins a training program after claim closure, the insurer must suspend the payment of any work disability award, but continue to pay any impairment award.*)

If the worker has questions about the lump sum application or the insurer's objection to pay the award in a lump sum they may contact the Ombudsman for Injured Workers at 800-927-1271 or the Benefits and Certification Unit at 800-452-0288.

A lump sum payment ordered by litigation or as part of a Claim Disposition Agreement does not require further approval by the insurer or the Division.

Reference: ORS 656.230

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Form 1174

For more information contact:

Benefit Consultation Unit: 503-947-7585

Toll-free: 800-452-0288