

# Oregon Workers' Compensation Compliance Section

## Employer Compliance Unit \_\_\_\_\_

### Purpose

To bring employers into compliance with coverage laws and expedite benefits to workers whose employers have no coverage.

- ◆ Failure to provide coverage can subject a non-complying employer to civil penalties of not more than \$1000 or twice the premium that would have been due for the period of non-compliance, whichever is greater, and an additional civil penalty of not more than \$250 for each day such violation continues during a subsequent period of non-compliance.
- ◆ In addition, the non-complying employer is liable for all claim costs and claims processing administrative fees incurred.

### Responsibilities

- ◆ **Employer coverage:** Provide initial employer indexing information and investigate reports of employers not carrying workers' compensation insurance on their employees.
- ◆ **Noncomplying employer sanctions:** Assess sanctions against non-complying employers.
- ◆ **Court injunctions:** Initiate proceedings to permanently enjoin a non-complying employer from employing without workers' compensation coverage. Initiate contempt proceedings for violations of injunctions.
- ◆ **Insurer sanctions:** Works with insurers to assure appropriate coverage filings are made. Assesses sanctions for untimely coverage filings.
- ◆ **Public education:** Promote education about Oregon workers' compensation coverage requirements while serving as a resource for that education.
- ◆ **Worker Leasing Company License Program -** License businesses to operate as worker leasing companies in Oregon. Monitors to ensure licensed companies continue to operate in accordance with the administrative rules. Investigates complaints of companies operating as a leasing company without a license.

### Functions

The field investigators and coverage investigators respond to allegations of employers not carrying workers' compensation coverage. Two laws help the unit monitor employer coverage: physicians must report uninsured on-the-job injuries to WCD within 72 hours and insurers must guarantee with WCD each workers' compensation policy and notify the employer and WCD when insurance is canceled.

Based on information received, the unit conducts one of two basic types of employer investigations: those related to injury claims and "non-claim" investigations. Staff must investigate claims received on uninsured employers within 60 days. The claims are then referred to an assigned claims agent for processing so benefits can be paid. Penalties are assessed in both types of investigations when violation of coverage rules are found.

In addition to investigating claims and cancellations, the unit cooperates with other agencies in joint investigations of high risk and problem industries. Staff also respond to telephone inquiries of employer coverage and provide public information and training on employer coverage requirements.

### Primary governing rules

OAR 436-050: Employer/Insurer Coverage Responsibility

OAR 436-080: Noncomplying Employers

**For more information contact:** (503) 947-7815 FAX: (503) 947-7718