



# **Strategies Accomplishments 2005-2007 Action Plans**



**Oregon Department of  
Consumer & Business Services**

*“Oregon’s competitiveness is key to our economic revival.  
A critical element of that is our ability to nurture entrepreneurial  
vision and drive while still protecting consumers, workers,  
and the environment through sound regulation.”*

*– Governor Ted Kulongoski*

# Update

## **2006 Accomplishments 2007-2009 Preliminary Action Plans**

**Oregon Department of Consumer & Business Services**

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### **2006 Accomplishments**

- Oregon employers will see the first workers' compensation premium rate reduction in five years in 2007, when the "pure premium rate" will decrease 2.1 percent. Since 1990, workers' compensation premium rates declined for 12 straight years, followed by four years of flat rates. These premium reductions have saved Oregon employers a record \$12.8 billion since 1990.
- Injured workers have more rights in the independent medical examination process with the ability to contest the examination location, bring in an observer during the examination, and file complaints. The Workers' Compensation Division developed training and certified 400 independent medical exam providers in ethical and practice standards and established procedures to investigate and address violations.
- An expansion to the statewide License Directory, the most comprehensive online directory of state licenses and permits in the nation, means users can now locate local government licenses and link to a federal licensing database.
- Customers can more efficiently conduct business with DCBS through electronic means — saving time and money. For example, the Building Codes Division's licensees can apply for and renew licenses online. Since this service started in March 2005, approximately 34 percent of customers have chosen this electronic method to renew their licenses. Also during this period, the number of licenses available grew from 29 to 72. The Insurance Division received nearly 31 percent of insurance product filings electronically — almost double the amount from a year ago — and it conducts financial and market examinations electronically.

*2006 Accomplishments continued ...*

**Update-1**

- With Oregon OSHA's assistance, 20 more Oregon employers have committed to making their workplaces safer for employees by joining Oregon OSHA's Safety and Health Achievement Recognition Program (SHARP) and Voluntary Protection Program (VPP). The addition brings the total number of employers in the programs to 120. These two programs help employers develop and operate an effective safety and health program that ultimately lets them become self-sufficient in creating and maintaining safer workplaces.
- Oregonians with mental health needs have more access to services and the right to an independent review if they believe their insurer is not treating mental health conditions the same as physical health conditions as a result of mental health parity rules adopted by the Insurance Division.
- Contractors in the Salem, Medford, and Eugene areas can now apply and pay for over-the-counter permits online as the Building Code Division's e-permitting portal has expanded beyond the Portland tri-county area.
- Injured workers from 13 Oregon cities were able to meet face-to-face with a representative from the Ombudsman for Injured Workers during its Mobile Office Tour that traveled to Eastern, Southern, and Central Oregon and the north coast. Workers were able to discuss specific details of their claims and get on-the-spot answers regarding their benefits, rights, and responsibilities.
- Consumers looking for low-cost payday loan alternatives can use a toll-free number and Web site to easily seek a participating Oregon credit union that provides these products.
- Contractors are seeing more consistency in building codes and enforcement. Building inspectors are now required to cite the specific code sections when issuing violations, and the Building Codes Division has worked with its advisory boards to create a uniform code interpretation and appeal process and consistent license application procedures.
- Oregon policyholders will receive more than \$800,000 as part of a multi-state settlement with Zurich American Insurance Company in which the Insurance Division participated. The settlement resolves allegations that Zurich and its subsidiaries engaged in anti-competitive practices.
- Oregon employers and workers will pay less in workers' compensation fees in 2007. Both the workers' compensation premium assessment and the Workers' Benefit Fund assessment rates will decline in 2007. DCBS has been able to keep these rates low by administrative cost savings and improved collections. For example, in the past year the department collected \$5 million in claim costs and penalties from employers who failed to provide required workers' compensation coverage — a 90 percent increase from the previous year.
- To close potential gaps left by the new payday lending legislation, the Division of Finance and Corporate Securities developed new rules that more accurately define the type of lending business that can be carried out under a "conventional" consumer finance license. The rules will protect consumers from high-cost loans.
- Insurance agents can now complete their required prelicense training online at schools approved by the Insurance Division, reducing expense and eliminating travel time. Agents also can find links to approved online training schools on the division's Web site.

- Oregonians are better protected against financial fraud as a result of the Division of Finance and Corporate Securities' increased focus on criminal prosecutions. In 2005 and 2006, the division participated in more than 30 criminal prosecutions, which are a significant deterrent of white-collar crime.
- Injured workers receive quicker access to medical care through expedited dispute resolution processes that have reduced by 34 percent the median number of days to resolve medical disputes. A pilot project designed to resolve medical fee disputes resulted in reducing the average time for dispute resolution from 64 days to less than three days.
- Employers now have additional training modules to educate their Spanish-speaking workers on safety issues through Oregon OSHA's PESO bilingual English-Spanish program.
- Health insurance companies are saving time and money as a result of new administrative rules adopted by the Insurance Division that allow them to use the same policy forms in Oregon that they use in other states.
- All statewide building codes were updated to reflect current technology and improved safety, and to bring Oregon consistent with other states and national standards.
- Workers in Oregon continue to be safer on the job. The statewide rate of workplace injuries and illnesses, for all employers, declined from 5.8 cases per 100 workers in 2004 to 5.4 cases per 100 workers in 2005 — a 7 percent decrease — continuing a trend since the late 1980s. The 2005 rate for the most serious injuries (disabling claims) also declined 7 percent.
- Because of revised administrative rules developed by the Division of Finance and Corporate Securities, mortgage lenders have a better understanding of the division's expectations, and consumers are better protected in the loan application and approval process. These rules define diligent supervision of loan originators by mortgage brokers and provide stricter education requirements for loan originators.
- Improvements to the Workers' Compensation Division's return-to-work programs are helping injured workers become self-sufficient. Injured workers seeking employment are able to more quickly resolve disputes with their insurer over vocational matters, such as eligibility for direct employment plans. The average time for resolution has dropped from 67 days to 30 days. And, employers can get their injured workers back to work earlier with increased return-to-work financial assistance through the Preferred Worker Program.
- Consumers can now access a searchable database on the Insurance Division's Web site that provides information about health insurers, including the number of members enrolled in their health plans, claim costs, administrative costs, and net income.
- Stakeholders and consumers continue to find DCBS's free e-mail notification service efficient and helpful. Currently more than 10,000 users subscribe to this service — a record high. Subscribers receive automatic e-mails from the department informing them that the topic they are following is updated on the DCBS Web site.
- More than 27,000 Oregon Medicare beneficiaries received free counseling services through the Senior Health Insurance Benefits Assistance (SHIBA) program during Medicare's Part D – Prescription Drug Coverage Open Enrollment. SHIBA and its sponsor network mobilized more than 300 volunteers and helped more than 8,700 beneficiaries enroll in the drug plan.

# 2007-2009 Preliminary Action Plans

## Workers' Compensation Division

- Identify patterns in claims administration errors and use the results to target education and outreach to insurers, third-party administrators, employers, and stakeholders.
- Improve quality medical care for injured workers in collaboration with medical providers, insurers, and advisory committees by:
  - Helping physicians better understand the needs of injured workers and the workers' compensation system with more training and better learning materials.
  - Making medical information more accessible to injured workers.
  - Identifying and promoting best practices in medical treatment and pharmacy management for injured workers.
- Analyze the workers' compensation return-to-work incentive programs to increase the number of workers and employers with successful return-to-work outcomes.
- Work with stakeholders and legislators to eliminate the guaranty contract, which is an extra step insurers have to take when an employer buys workers' compensation insurance.
- Implement recommendations to make the assigned risk pool more self-sufficient while keeping it affordable for small businesses.

## Division of Finance and Corporate Securities

- Improve consumer protection in the mortgage lending industry by increasing the number of risk-based examinations, reviewing misleading advertising, and enforcing updated continuing education and diligent supervision requirements. The changes should reduce the number of problems experienced by consumers.
- Work with financial institutions to promote lower cost alternatives for consumers who are low income, have no traditional financial institution relationship, or have had problems with managing checking accounts.
- Pursue legislation to cap fees on check cashing, regulate Internet payday lenders, and protect against identity theft.
- Reduce the number of unlicensed pawnbrokers by contacting businesses suspected of conducting illegal pawnbroker activities to make sure they are in compliance with legal requirements. The goal is to deter illegal conduct and ensure consumers are protected and treated fairly.
- Develop strategies for a potential downturn in the mortgage lending market, including review of loan products during exams and expanded education for consumers with nontraditional loans.

## **Insurance Division**

- Continue to achieve broader transparency about health care costs:
  - Publish a report for the 2007 Legislature that details the financial performance of health insurers and the department's role in making health insurance more affordable.
  - Collect data from insurers about hospital costs for select procedures and publish data showing average costs for all insurers by procedure and hospital to make hospital costs more transparent and to assist Oregon consumers with their health care choices.
  - Pursue legislation to make consumers' out-of-pocket health care costs more transparent by having insurers provide their members with estimated out-of-pocket costs for selected health care procedures.
- Assist in the development of the Governor's Healthy Kids Plan and other efforts to broaden access to affordable and available health insurance for all Oregonians.
- Partner with the Department of Human Services to allow Oregonians to participate in a federal program that rewards consumers who purchase long-term care insurance and reduces the need for Medicaid to cover their nursing home costs.

## **Oregon Occupational Safety and Health Division**

- Improve employer access to and understanding of safety and health codes by providing more direct Web access, and writing rules more clearly and using common industry terminology.
- Improve safety and health self-sufficiency in small businesses throughout Oregon by offering and more effectively marketing focused consultation, training, and education services.
- Identify the causes of workplace fatalities and develop strategies to prevent them. For example, Oregon OSHA will work with Oregon employers and their employees to reduce workplace fatalities due to motor vehicle accidents – currently the largest single fatal workplace injury event in the United States and in Oregon.
- Reduce the continued high rate of injuries within the health care industry through expanded partnerships, awareness, and ergonomic consultation services.

## **Building Codes Division**

- Enhance consumer and community protection
  - Explore, with the division's seven advisory boards, a way to expedite enforcement cases, and implement new enforcement tools such as progressive sanctions and the use of license suspension for egregious violations.
  - Adopt changes to the building code to prevent moisture damage as recommended by the Construction Claims Task Force.

*2007-2009 Preliminary action plans continued ...*

- Streamline regulations and regulatory processes
  - Make code adoption processes and training consistent across all specialty code program areas, align Oregon codes with national model codes, and further reduce Oregon amendments.
  - Create more streamlined permitting processes such as minor label permits to encourage contractors to comply with building regulations and to help ensure quality construction for consumers.
- Improve customer service
  - Begin implementing a comprehensive electronic permitting system that can be used in local jurisdictions throughout the state to apply for and purchase permits, review building plans, and schedule inspections. Initially connect 20 jurisdictions to the system by June 30, 2009.
  - Use regional liaisons to provide local dispute resolution for businesses and local government, improve code consistency, and support economic development through the Economic Revitalization Team.
  - Expand consumers' ability to conduct business and receive information online, including video streaming to provide public access to the division's meetings.

### **Office of Regulatory Streamlining**

- Facilitate simplification and improved timeliness of the permit process for large industrial, commercial, and residential projects that affect sensitive lands.
- Identify and work with other jurisdictions to implement projects that improve how state and local development regulations relate to each other and to builders and owners. Examples include standardizing land-use compliance statements and pre-application development conferences.
- Explore tested models that have improved government regulatory processes such as Iowa's Kaizen program, a business process improvement technique inspired by Toyota manufacturing, to determine if one or parts of a model can be successfully applied in Oregon.
- Provide enhanced customer service assessment and support of customer service improvement projects to state agencies, beginning with an effort focused on natural resource regulatory agencies.



# 2007 Proposed Legislation

## Consumer/Worker Protection

- **Identity Theft Protection.** Addresses identity theft by requiring safeguarding of personal information and notification of data breaches; allows security freezes of credit files; restricts use of social security numbers.
- **Regulation of Payday Lending.** Extends new payday lending law to apply regardless of whether the lender is located in Oregon; establishes payday lending compliance database. **(HB 2203)**
- **Consumer Finance Loans.** Limits “conventional” consumer finance licenses to those who make underwritten installment loans for longer than six months. **(HB 2205)**
- **Fees and Interest Rates on Short-Term Title Loans.** Sets maximum interest rate and fees for short-term car title loans, matching rate and fees for payday loans. **(HB 2204)**
- **Regulation of Check Cashers.** Requires licensing of check cashing businesses, sets maximum fees for cashing government or payroll checks. **(HB 2202)**
- **Medical Discount Cards.** Requires registration by sellers of medical discount card plans, with consumer disclosure requirements and enforcement. **(HB 2221)**
- **Workers’ Compensation - Permanent Partial Disability Sunset Repeal.** Preserves current level of permanent partial disability payments to injured workers by repealing sunsets from SB 757 (2003) and HB 2408 (2005). **(HB 2244)**
- **Successor Employers Compliance with OSHA Citations.** Gives OR-OSHA the authority to hold successor employers responsible for current or future workplace safety citations if the successor is a substantial continuation of the original business or enterprise. **(HB 2223)**
- **Long Term Care Insurance.** Allows consumers who have eligible long term care insurance policies, once their policy benefits are exhausted, to access Medicaid services without having to spend down their family assets; and establishes training and continuing education requirements for sellers of long term care insurance. **(SB 191)**
- **Changes to the Boiler Program.** Provides administrative flexibility and clarifies the administration and enforcement of the boiler code. **(SB 193)**
- **Create Consistent Building Codes Enforcement Tools.** Makes changes to the programs administered by the Building Codes Division to eliminate enforcement inconsistencies between the various programs, and provides the division with additional enforcement tools for egregious code violations. **(SB 192)**
- **Nationwide Criminal Background Checks.** To assist DCBS and other agencies in ensuring data security and preventing identity theft, authorizes specific agencies to request nationwide fingerprint-based criminal records checks from the FBI. **(HB 2252)**

*Proposed Legislation continued*

## **Consumer/Worker Access to Affordable Health Care**

- **Health Insurance Cost Transparency.** Requires health insurers to provide greater transparency about their coverage costs to enrollees in their health benefit plans. Requires health insurers to apply a standard method, established by the Director, for determining the “Usual, Customary and Reasonable” (UCR) costs for services that insurers pay when there is no pre-negotiated or agreed-upon price owed to the provider. **(HB 2213)**
- **Workers’ Compensation – Nurse Practitioners Sunset Repeal.** Continues treatment authority of nurse practitioners by repealing sunset from HB 3669 (2003). **(HB 2247)**
- **Rural Medical Malpractice Insurance Reimbursement Program.** Extends and restructures the reduced-cost medical professional liability program for rural doctors, which would otherwise expire in 2007. **(SB 183)**

## **Support Positive Business Climate — Regulatory Streamlining**

- **One-stop Building E-Permitting.** Creates a statewide electronic building codes permitting and plan review system available to local jurisdictions that administer and enforce building inspection programs.
- **Improving Requirements for Employer Safety Committees.** Makes statutory changes to requirements for safety committees, directs OR-OSHA to by rule require small employers with 10 or fewer employees to establish a safety committee or alternative, and allows OR-OSHA to establish by rule simplified compliance methods that meet the needs of small business. **(HB 2222)**
- **Workers’ Compensation Regulatory Streamlining.** Makes changes to several regulatory functions of the Workers’ Compensation Division: temporary rules regarding a workers’ permanent impairment, director approval of worker requests for change of attending physician, insurer approval of lump sum payments, and lesser sanctions for managed care organization violations. **(HB 2218)**
- **Building Codes License Application Process Streamlining.** Makes changes related to the implementation of HB 2181 (2005) that further streamline the license application process for various trade licenses administered by the Building Codes Division. **(HB 2219)**
- **Workers’ Compensation Assigned Risk Plan.** Allows a surcharge on the workers’ compensation rating plan for the assigned risk pool, which serves businesses that cannot obtain workers’ compensation coverage in the voluntary market. **(HB 2250)**
- **Interstate Cooperation, Review of Life, Annuity and Disability Insurance Policy Forms.** Streamlines the review of certain insurance policy forms that already have been approved by the interstate compact under consumer protection standards that serve the interests of the insurance-buying public. **(HB 2224)**
- **Update Pawnbroker Act Regulation.** Makes changes to the Pawnbroker Act consistent with current business practices and modern technology without reducing protections for consumers. **(HB 2220)**
- **Multiple Agency License Expiration by Rule.** Gives agencies authority to establish by rule alternate license expiration dates. **(HB 2243)**
- **Water-Related Permit Process Improvement.** Establishes multi-agency pilot program for processing applications for removal-fill permits and other state authorizations that may be necessary for projects that require removal-fill permit. **(HB 2251)**

# Department of Consumer & Business Services Strategies, Accomplishments, and 2005-2007 Action Plans

DCBS exists to protect Oregon consumers and workers from fraud, unfair treatment, and injury in key regulated industries and business activities. But consumers and workers also need a healthy economy and good jobs, and we at DCBS see ourselves as a key part of the state's economic development infrastructure.

Consumers and workers can count on us to support them with appropriate standards for the industries, workplaces, and professionals we regulate. We have strong enforcement capabilities and use them to stop and correct activity that violates those standards. That's a key part of our job as a regulatory authority, and Oregonians depend on us to do it well.

At the same time, the industries, employers, and professionals we regulate can count on us to develop our standards collaboratively and wield them for fairness and safety rather than to create barriers. Most of these businesses are law-abiding enterprises committed to offering value to customers and safe jobs for employees. We want to help them meet their goals and our standards through effective communication, consultation, and cooperation.

This publication summarizes DCBS' strategic direction on behalf of Oregon's consumers, workers, and businesses over the course of this biennium. You'll also read about our accomplishments in the past biennium and what we're doing to advance the governor's key priorities — especially regulatory streamlining, which our department coordinates for the state.

DCBS does not receive income tax or lottery dollars. Fees and assessments dedicated to the programs we administer support our budget. We take seriously the responsibility we share with all of state government to provide the best possible value to the people of Oregon for the resources entrusted to us. We welcome your questions, comments, or suggestions.

**Cory Streisinger, Director**

## Our mission

To protect and serve Oregon’s consumers and workers while supporting a positive business climate in the state.

## What we do

DCBS is Oregon’s largest business regulatory and consumer protection agency; we administer state laws and rules in the following areas to protect consumers and workers:

- Workers’ compensation
- Occupational safety and health
- Financial services and institutions
- Insurance
- Building codes
- Targeted contracting opportunities for small businesses

DCBS staff members are committed to fulfilling the department’s statutory responsibilities and mission and goals in a manner that serves the needs of the public and the businesses and professionals regulated by the department.

## Our goals

DCBS has three fundamental goals to advance our mission:

- Protect consumers and workers in Oregon.
- Regulate in a manner that supports a positive business climate.
- Be accountable to the public we serve, with excellent service to our customers.

DCBS programs help achieve Governor Kulongoski’s “Oregon Principles” of public safety, health, economic development, and government efficiency and accountability.

## Our strategies

DCBS divisions apply these strategies to achieve the department's mission and goals:

- We will seek input from stakeholders and the public to identify the concerns of consumers, workers, and the businesses we regulate.
- We will focus our efforts on improving outcomes for consumers and workers, not simply on improving processes.
- We will structure our regulatory programs to impose the minimum burden on regulated businesses consistent with achieving the desired outcomes.
- We will promote choices and access for Oregon consumers and businesses by supporting the success of industries in the economic sectors we regulate.
- We will use a variety of approaches (regulation, enforcement, education, consultation, direct service delivery, etc.) in the most appropriate combinations to achieve results.
- We will use technology and other tools to make it as easy as possible for others to exchange information and do business with us.
- We will work with customers to solve problems and make every contact a positive experience.
- We will measure results achieved by our programs and approaches and re-evaluate the programs and approaches to find further improvements.
- We will continually improve our cost-effectiveness and ensure that our services provide value to consumers, workers, and businesses.
- We will evaluate, develop, and maintain appropriate levels of human, organizational, financial, and other resources necessary to carry out our responsibilities.

## Our accomplishments, 2003-2005

DCBS activities achieve results: Workplace injury and illness rates have fallen dramatically, no Oregon-based banks or insurance companies have failed in many years, the statewide building code provides consistent fire-and-life-safety standards that protect Oregonians, and the state's workers' compensation system is emulated across the country.

Examples of program achievements, 2003-2005:

- DCBS implemented an online license application and renewal system for 29 license types, and laid the groundwork for more to follow early next year. DCBS will pursue online licensing as a multi-agency initiative to improve licensing procedures throughout state government.
- The department implemented the nation's most comprehensive online directory of state licenses and permits. The state-government-wide directory provides licensing requirements, application and fee information, and agency contacts. In many cases, users can check the status of license holders.
- The DCBS Insurance Division provided relief for consumers in over 75 percent of confirmed complaints. Overall, division consumer advocates also responded to 31,972 inquiries and closed 6,820 complaints.
- More than 8,000 Oregonians received restitution totaling over \$8 million as part of a multi-state consent judgment with Household International Inc. for mortgage-lending violations.
- Thousands of Oregon consumers can better avoid fraud and make sound decisions as a result of public education and community outreach by the DCBS Insurance, Finance and Corporate Securities, and Building Codes divisions.
- Consumers who seek short-term loans have more options as a result of administrative action taken by the Division of Finance and Corporate Securities, which successfully urged credit unions around the state to offer low-cost alternatives to payday and title lending.
- Oregon workers are safer on the job. Workplace injury and illness incidence rates have declined since 1988 by 50 percent and workers' compensation fatality claim rates by 63 percent, repeatedly marking record lows. The 2003 total cases incidence rate of 5.6 per 100 workers is a 6.7 percent decrease from the 6.0 rate recorded in 2002.
- Employers have saved money on workers' compensation insurance costs. Workers' compensation premium rates, on average, held steady in 2003, 2004, and 2005 and decreased every year from 1991 to 2002. The cumulative decrease meant a 57.4 percent reduction in pure premium rates and \$10.1 billion saved by Oregon employers. Oregon's national rank in workers' compensation costs improved from sixth highest in 1986 to 17th lowest in 2002 and improved further in 2004, to tenth lowest. DCBS reduced the workers' compensation premium assessment, which funds DCBS programs, in both 2004 and 2005, and expects to reduce the assessment again in 2006 while again keeping average premiums flat.

- The Workers' Compensation Division has reduced claim-error letters to insurers by 37 percent and revised Form 801 to one page so that reporting injury claims is faster and easier.
- The Division of Finance and Corporate Securities lessened the regulatory burden on financial institutions by changing examinations to focus on activities most likely to cause risk to the institution instead of examining individual transactions. This method provides a more accurate picture of soundness and compliance, achieved more efficiently.
- A simplified fee structure means it's much easier for plumbing contractors to determine permit costs. The new fee structure does not increase or decrease Building Codes revenues.
- Contractors can now use rapid-approval processes for essential building projects. Alternate inspection/plan review programs are now also available .
- Contractors in six tri-county jurisdictions can now apply and pay for routine electrical, plumbing, and mechanical permits online. More jurisdictions will be added during the next two years.
- Simplified certification for minority, women-owned, and emerging small businesses saved about 13,500 sheets of paper and \$18,000 (affidavits, postage, registered mail, etc.) for the biennium.
- Oregon construction contractors (residential builders, framers, siders, roofers, and window and door installers) have found it easier to secure liability insurance through a market assistance plan, a clearinghouse established by the Insurance Division through which participating agencies provide coverage quotes. With DCBS support, a legislatively created task force will study ways to reduce the number of construction defects while ensuring consumer protection and affordable liability insurance.
- Contractors can purchase permits online for selected minor construction work (minor labels), for use anywhere in the state.
- More than 70 percent of nonresident insurance licensing applications are processed electronically and nearly 17 percent of product filings are received electronically. The Insurance Division also offers online complaint filing to consumers, who now file about 38 percent of complaints against insurance companies electronically. The division conducts most market and all financial examinations electronically.
- Highlights of legislation developed and adopted with DCBS support in 2005 include:
  - Improved protection for homeowner insurance policyholders. (SB 118)
  - Reformed process for independent medical examinations of injured workers. (SB 311)
  - Better benefits and protection for workers with permanent total disability claims. (SB 386)
  - A package of 29 regulatory streamlining measures designed to simplify business regulations and regulatory processes.

# Our programs and action plans for 2005-2007

## Workers' Compensation Division

WCD protects injured workers' benefits and rights in the workers' compensation system:

- Ensures that employers have workers' compensation coverage and that injured workers receive timely benefits and quality medical care.
- Facilitates injured workers' early return to work through incentive programs for employers.
- Helps resolve medical, vocational, disability, and other disputes.
- Provides consultation services to workers, employers, insurers, claims examiners, attorneys, medical providers, and others.

### Action plan, 2005-2007

- Analyze and redesign regulatory programs in order to systemically increase protection of workers and decrease burdens on businesses. This will include use of key performance indicators, dispute and complaint tracking, audits, and other feedback.
- Improve customer service and streamline processes
  - Evaluate forms to ensure they are written at an acceptable reading level.
  - Further expand electronic claims-reporting and coverage-reporting options.
  - Expand use of alternative dispute resolution.
- Lead a medical-quality initiative to identify medical-cost-inflation drivers in workers' compensation and develop strategies to mitigate them while ensuring worker access to quality medical care.
- Implement a new independent medical examination program.
- Analyze the use of nurse practitioners and other medical providers as attending physicians, the impact of recent changes to permanent partial disability standards, and the use of the assigned risk pool when employers cannot obtain insurance coverage.



## Oregon Occupational Safety and Health Division (Oregon OSHA)

OR-OSHA advances workplace safety and health and reduces workplace injuries and illnesses; in doing so, the division reduces the cost of workers' compensation insurance:

- Inspects worksites for safety and health violations.
- Investigates workplace fatalities, major accidents, and safety and health complaints.
- Provides training and consultation services.
- Develops occupational safety and health rules.

### Action plan, 2005-2007

- Identify the most frequent types of injuries, (e.g., “struck by” in logging, falls in construction, and trenching) and segments of populations (e.g., new employee, older employee) in which the injuries occur most often, and use OR-OSHA’s training, consultation, and enforcement activities to educate employers to identify and correct the hazards most likely to cause such injuries.
- Identify and target audiences not previously targeted with safety-awareness information, such as executive-level managers; continue to expand Spanish-language outreach; and focus on ergonomics as a preventive to injuries. Use advisory groups and education to share information and develop appropriate tools to promote these efforts in collaboration with stakeholders.
- Test usability of OR-OSHA’s “core rules” manuals, which are intended to help employers easily access the regulations that apply to their industries.
- Aggressively market the Voluntary Protection Program and the Safety and Health Achievement Recognition Program, which improve the safety self-reliance of employers and employees. The division will also develop “One OSHA,” a plan to improve awareness of OR-OSHA services by ensuring that employers or individuals who interact with one of the division’s programs will also receive information about the others.
- Promote no-cost and low-cost opportunities to improve the safety of Oregon workers through focused OR-OSHA initiatives, “Safe Jobs, Smart Business” and “Safety Break for Oregon.”

## Building Codes Division

BCD ensures safe building construction:

- Adopts and administers statewide building codes.
- Certifies inspectors and licenses trade professionals.
- Oversees local-government building departments
- Provides code and rule interpretation and dispute resolution.
- Enforces license, code, and permit requirements.
- Conducts inspections where local entities do not.

### Action plan, 2005-2007

- Customer service
  - Expand online permitting; offer Web-based continuing education for licensees; improve notification using “GovDocs”; offer video streaming of BCD board meetings and rule making.
  - Enhance consistency of regulation statewide by fully implementing statewide code-interpretation processes and developing means to ensure that all inspectors follow interpretations.
- Compliance
  - Expand use of “ticket book” concept for citations.
  - Conduct compliance-related educational outreach to public.
- Streamlining of regulations and regulatory processes
  - Continue shifting focus of regulatory practices to life-safety issues and helping customers meet Oregon’s building requirements.
  - Continue developing alternatives for contractor and homeowner permitting, simplifying and consolidating permit fees, and making permits more transferable among jurisdictions.
- Implementation of new legislation
  - Change building-trades licensing as required by HB 2181.
  - Provide staff and expertise to support the Construction Claims Task Force. The task force was created by HB 2078 to study the relationship between construction liability claims and construction industry practices, construction defects, consumer protection, and state-mandated liability insurance requirements for contractors. The task force’s goal is to reduce the number of construction defects while ensuring appropriate protection of Oregon consumers and affordable insurance for contractors.
  - Implement regional services as called for by SB 421, including dispute resolution and assistance to local jurisdictions with code consistency, rapid approval, and other economic development strategies.

## Insurance Division

The Insurance Division ensures the financial soundness of insurers, the fair treatment of consumers, and the affordability and availability of insurance products:

- Licenses insurance companies, producers (agents), and consultants.
- Reviews insurance products and premium rates and monitors insurer solvency.
- Monitors insurers and producers to enforce insurance laws, issuing penalties for violations as appropriate.
- Helps resolve consumer complaints, advocates reforms to address common consumer problems, and educates the public about insurance issues.

### Action plan, 2005-2007

- Affordability and availability of health insurance
  - Look for ways to address the high rate of medical inflation and the effect it has on the availability and affordability of health insurance. Work with insurers, hospitals, and other providers to make information on the cost and quality of health care more readily available to the public, both to enhance competition and accountability in the health care system and to facilitate consumer choices in the marketplace.
  - Evaluate prior health insurance reforms and determine whether further reforms could help ensure that the small group, individual, and portability insurance markets are competitive, fair, affordable, and accessible.
  - Implement mental health parity requirements for health insurance, as created by SB 1.
- Consumer protection and customer service
  - Implement homeowner insurance consumer protections created by SB 118.
  - Determine whether “total loss” and vehicle valuation practices in auto insurance are fair to consumers or if changes are needed.
  - Improve consumer and industry access to Insurance Division services through use of technology; expand electronic licensing and rate and form filing, use checklists for product standards, and process complaints and filings promptly.
  - Work with the Department of Human Services to find options that will make long-term care insurance a more viable alternative to dependence on the state for nursing home care.
  - Analyze whether new standards are needed for variable and equity-indexed annuities and in viatical and life settlements to ensure fair treatment of consumers.
  - Work with the Building Codes Division to provide staff support and expertise to assist the Construction Claims Task Force, created by HB 2078, with questions surrounding the affordability and availability of contractor liability insurance.

## Division of Finance and Corporate Securities

DFCS ensures that a wide range of financial services and products are provided to Oregonians in a safe, sound, equitable, and fraud-free manner:

- Supervises state-chartered or state-licensed financial institutions and financial-service providers (e.g., banks, credit unions, consumer finance companies, pawnbrokers, mortgage lenders, and money transmitters).
- Regulates the sale of securities in Oregon, reviewing securities offerings and licensing those who sell them and those who advise about or manage securities.
- Protects consumers, ensures industry compliance with financial services laws, and promotes confidence in the financial system by investigating complaints and alleged violations.
- Provides education and other resources so that consumers can recognize and avoid fraud and inappropriate products and services.

### **Action plan, 2005-2007**

- Ensure the soundness of state-chartered banks, credit unions and trust companies in partnership with federal regulators for these industries.
- Further refine the use of risk-focused supervision processes so that Oregonians can remain confident that state-chartered and licensed institutions are operating at desired levels of acceptability and soundness.
- Leverage available technology, enhance customer service, develop more consistent and equitable fee structures, minimize regulatory burdens, and use staff resources more efficiently through additional streamlining of regulatory licensing, registration and examination processes.
- Make division interactions with regulated entities and individuals quicker, easier, and less expensive through Web-based licensing, registration, reporting, and payments.
- Enhance consumer financial education in Oregon by reviewing current efforts, developing recommendations to make those efforts more effective, and working with stakeholders to secure national funds to support financial education initiatives.
- Ensure that debtors have access to appropriate financial counseling at reasonable rates as part of the rules the state must implement in response to federal bankruptcy changes.
- Where appropriate, use the consumer protection authority granted by SB 120, which gives the division the ability to enforce cease-and-desist orders against unlicensed businesses operating in regulated, non-depository financial service industries.
- Implement recommendations from the mortgage lender program review, including a review of the status of independent contractor loan originators.

## Workers' Compensation Board

WCB considers and resolves disputes arising under Workers' Compensation Law and the Oregon Safe Employment Act.

### Action plan, 2005-2007

- The Board Review Division will maintain its status of no backlog of cases on appeal.
- Oregon OSHA disputes will be resolved in a timely, efficient manner.
- The board review process will be refined to minimize the time between request for board review and issuance of board order without sacrificing quality decisions.

## Oregon Medical Insurance Pool

OMIP reduces the state's overall uninsured rate by providing options to Oregonians who have been denied individual insurance because of health conditions, used up employer-provided COBRA benefits, or moved out of their portability carrier's service area.

### Action plan, 2005-2007

- Develop new policies or strategies to manage drug expenditures and utilization without compromising the health outcomes of OMIP clients, based on ongoing analysis of the impact of prescription drugs on claims and costs.
- Work with the insurance industry to explore alternatives to managing the growth of the assessment that insurers pay to cover the OMIP expenditures that enrollee premiums do not cover.
- Improve member communication and customer service. Continue the periodic public meetings that began in 2000. Analyze customer-satisfaction surveys to determine how to improve customer service, program management, and third party administrator management.

## Office of Minority, Women, and Emerging Small Business

OMWESB ensures that minorities, women, and small businesses have access to public and private contracting opportunities through programs that document the status of such businesses. Maintains online directories of such businesses for public jurisdictions, prime contractors, and private industries.

### Action plan, 2005-2007

- Provide timely and accurate certification decisions and certification assistance to applicants, and partner with the governor's advocate for minority, women, and emerging small business to expand the availability of the directory of certified firms to increase its use among private businesses.
- Expand outreach efforts to remote areas of Oregon to promote access to business opportunities.

## Ombudsman for Injured Workers

The ombudsman serves as an advocate for injured workers dealing with the workers' compensation system by helping them understand their rights, investigating complaints, and acting to resolve those complaints. Also provides training and outreach and makes recommendations about how injured workers may be better served.

### Action plan, 2005-2007

- Conduct outreach to injured workers and stakeholders to improve awareness of the services the ombudsman's office provides and ensure that workers who need help have access to those services regardless of language, disability, or other potential barriers.

## Small Business Ombudsman

The ombudsman serves as a resource center for small employers, insurers, trade groups, and agents needing workers' compensation information and assistance to navigate the Oregon workers' compensation system.

### Action plan, 2005-2007

- Conduct outreach to stakeholders to facilitate small-business access to the ombudsman.

## Office of Regulatory Streamlining

The Office of Regulatory Streamlining works to simplify Oregon's business regulations and improve the state's business climate by ensuring that regulations burden businesses as little as possible as they protect Oregonians. The office serves as a state-government clearinghouse for best practices, projects, and initiatives. It develops partnerships to advance the state's streamlining efforts, and conducts training and other outreach activities to businesses and other stakeholders.

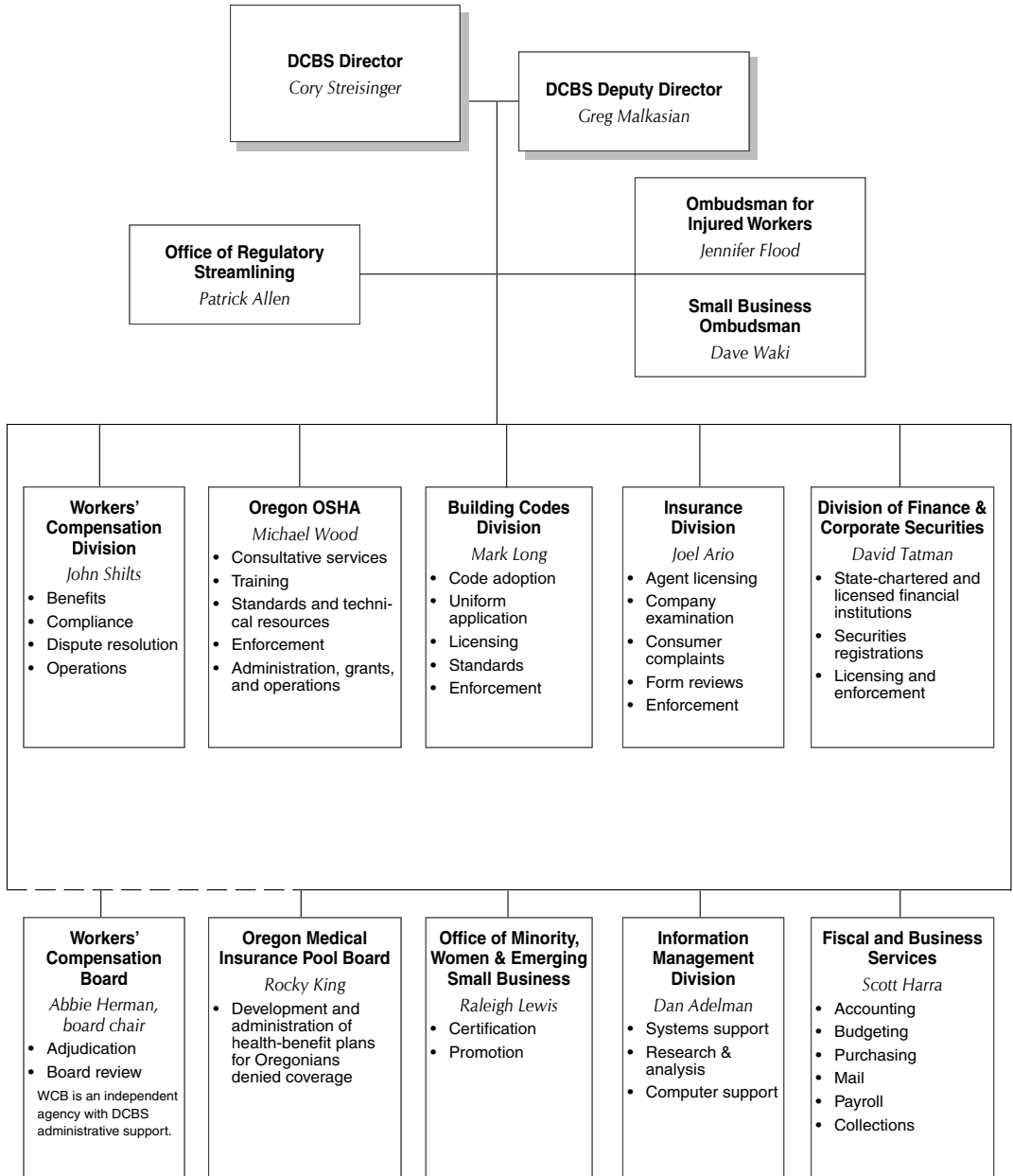
### Action plan, 2005-2007

- Help implement statewide and DCBS-specific regulatory streamlining projects, to include easy and efficient customer access to information, services, and online transactions (e-government) such as the "My License" online licensing system and expansion of the statewide license directory to cities and counties.
- Identify ways to simplify the land-use compliance statement (LUCS) process for a variety of agencies and the local governments that are required to supply them.
- Establish minimum expectations and a template for state and local governments to use in the pre-application process for developers.
- Expand pilot project to combine licensing for small retailers licensed by multiple state agencies with differing requirements.
- Continue to develop and coordinate multi-agency streamlining projects.
- Focus a year-long communications plan to inform general public and state and local-government agencies about streamlining initiative projects and progress.

## For more information

For more information on our responsibilities, programs, and initiatives – including our annual performance report and budget information – please visit our Web site, [www.dcbs.oregon.gov](http://www.dcbs.oregon.gov), call the DCBS Director’s Office, (503) 947-7872, or send e-mail to [dcbs.director@state.or.us](mailto:dcbs.director@state.or.us). You may also find key phone numbers and e-mail addresses on the following pages.

# DCBS organizational chart



	2003-05	2005-07
Positions	Approved 1,088	Approved 1,081
FTE	1,076.95	1,068.47



## Key contacts at DCBS

### Director's Office

<b>Cory Streisinger</b> , Director, dcbs.director@state.or.us.....	(503) 947-7872
<b>Greg Malkasian</b> , Deputy Director, gregory.a.malkasian@state.or.us .....	(503) 947-7872
<b>Lou Savage</b> , Senior Policy Advisor, louis.d.savage@state.or.us.....	(503) 947-7867
<b>Steve Corson</b> , Public Information, Communications, steven.j.corson@state.or.us .....	(503) 947-7868

### Workers' Compensation Division

<b>John Shilts</b> , Administrator, john.l.shilts@state.or.us .....	(503) 947-7551
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### Oregon OSHA Division

<b>Michael Wood</b> , Administrator, michael.wood@state.or.us .....	(503) 947-7400
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### Building Codes Division

<b>Mark Long</b> , Administrator, mark.long@state.or.us .....	(503) 378-4150
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### Insurance Division

<b>Joel Ario</b> , Administrator, joel.s.ario@state.or.us .....	(503) 947-7202
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### Division of Finance and Corporate Securities

<b>David Tatman</b> , Acting Administrator, david.c.tatman@state.or.us .....	(503) 947-7475
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### Workers' Compensation Board

<b>Abbie Herman</b> , Chair, abbie.l.herman@state.or.us.....	(503) 378-4283
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### Oregon Medical Insurance Pool

<b>Howard "Rocky" King</b> , Administrator, rocky.king@state.or.us.....	(503) 378-5165
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### Office of Minority, Women, and Emerging Small Business

<b>Raleigh Lewis</b> , Manager, raleigh.lewis@state.or.us .....	(503) 947-7921
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### Ombudsman for Injured Workers

<b>Jennifer Flood</b> , Acting Ombudsman for Injured Workers, jennifer.r.flood@state.or.us .....	(503) 947-7031
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### Small Business Ombudsman for Workers' Compensation

<b>Dave Waki</b> , Small Business Ombudsman, dave.waki@state.or.us .....	(503) 947-7879
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### Office of Regulatory Streamlining

<b>Pat Allen</b> , Manager, patrick.allen@state.or.us.....	(503) 947-7061
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## DCBS Hotlines

Department of Consumer & Business Services.....	(503) 378-4100
DCBS en español .....	(800) 843-8086
TTY .....	(503) 378-4100
Ombudsman for Injured Workers .....	(800) 927-1271
Small Business Ombudsman for Workers' Compensation .....	(503) 378-4209
Office of Minority, Women, and Emerging Small Business.....	(503) 947-7976
Office of Regulatory Streamlining.....	(503) 947-7061
Workers' Compensation Infoline.....	(800) 452-0288
Workers' compensation employer compliance .....	(888) 877-5670
Re-employment assistance .....	(800) 445-3948
Re-employment assistance/Southern Oregon.....	(800) 696-7161
Workers' Compensation Board.....	(877) 311-8061
Oregon OSHA .....	(800) 922-2689
OR-OSHA en español .....	(800) 843-8086
Building Codes Division .....	(800) 442-7457
Building Codes Division Pendleton office.....	(800) 452-8156
Building Codes Division Tri-County Service Center .....	(503) 872-6731
Insurance Division.....	(888) 877-4894
Oregon Medical Insurance Pool.....	(800) 848-7280
Senior Health Insurance Benefits Assistance .....	(800) 722-4134
Division of Finance and Corporate Securities .....	(866) 814-9710

For complete Department of Consumer & Business Services worker, consumer, and business assistance contact information, go to **[www.dpbs.oregon.gov](http://www.dpbs.oregon.gov)** and in the Help for... menu, click on "Businesses" or "Consumers and workers."



**Oregon Department of Consumer and Business Services**

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