

# Strategies Accomplishments 2011-2013 Action Plans



# Department of Consumer and Business Services Strategies, Accomplishments, and 2011-2013 Action Plans

2010 has been a challenging year for DCBS as well as the businesses we regulate. The changes we all have experienced – from the economic downturn to new regulations in the financial and insurance industries – have been unprecedented.

This document highlights DCBS' accomplishments during the past year as well as our strategic plan for the next biennium. Many of our efforts focus on protecting consumers and workers, who may be more vulnerable during these difficult economic times. For example, we have strengthened our process for reviewing health insurance premium rates, increased outreach to investors about avoiding financial fraud, and implemented a new, stronger licensing system for mortgage lenders.

At the same time, we have many efforts under way to support a positive business climate, which will help the state as it recovers from this deep recession. Our Building Codes Division's e-permitting project continues to make strides: Springfield recently became the first building department to adopt "full service" e-permitting so that contractors can access a full range of building services online, such as submitting plans and tracking projects.

We also have continued our focus on workplace safety and health. Although we are operating with fewer resources in this area, we continue to produce outstanding results for Oregon workers and their employers. Workplace accidents and illnesses are on the decline, and employers will see yet another decrease in their workers' compensation pure premium rate in 2011.

In the next biennium, we plan to expand on many of these efforts and embark on new initiatives to protect Oregonians and make regulations less burdensome for businesses.

We always welcome your comments, suggestions, and questions. You can find a list of department contacts on Page 14.

## Our mission

The Department of Consumer and Business Services' mission is 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. The department administers state laws and rules to protect consumers and workers and support a positive business climate in the areas of:

- Workers' compensation
- Occupational safety and health
- Financial products, services, and institutions
- Insurance
- Building codes

DCBS staff members are committed to carrying out the department's statutory responsibilities and fulfilling our mission and goals in a manner that serves the needs of the public and the businesses and professionals we regulate.

## Our goals

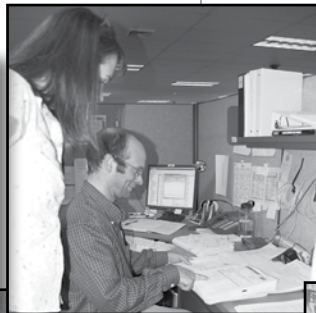
DCBS has three fundamental goals to advance the department's mission:

- 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.

## Our strategies

DCBS applies the following strategies to achieve the department's mission and goals:

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



# Our accomplishments, 2009-2010

- Workers and employers continue to benefit from Oregon's successful workers' compensation system. The statewide rate of reported workplace injuries and illnesses declined in 2009 for the fifth straight year, driven by Oregon OSHA's strong presence in workplaces through both enforcement and consultation visits. In 2010, the "pure" premium rate that employers pay for workers' compensation insurance will decrease once again, marking 21 consecutive years with no increase.
- More than 7,000 Oregonians received assistance with their insurance-related complaints in 2009 and 2010, and the Insurance Division helped consumers recover more than \$3.5 million in benefits from their insurance companies.
- Installing solar panels is easier and more consistent across the state as the result of a first-in-the-nation statewide solar code adopted by the Building Codes Division.
- Investors are better protected against financial fraud as a result of the Division of Finance and Corporate Securities' involvement in criminal and civil cases. The division participated in the national enforcement sweep, Operation Broken Dream, that resulted in 40 indictments and convictions in Oregon for mortgage-related fraud. The division has assisted in prosecuting numerous criminal cases for securities fraud and mortgage fraud on the local level, such as the recent conviction of a Medford developer and mortgage broker who bilked mostly elderly Oregon investors out of \$800,000.
- Injured workers are returning to work faster with good wages with the help of the Workers' Compensation Division's nationally recognized return-to-work programs. Despite the recession, a record number of employers used the Employer-at-Injury Program in 2009.
- More than 15,000 Oregon Medicare beneficiaries received free counseling services during 2010 through the Senior Health Insurance Benefits Assistance (SHIBA) program, to enable them to make better choices about their medical coverage.
- DCBS settled with additional brokerage firms in 2010 for dishonest practices regarding sales of auction-rate securities. Oregonians who lost money were able to receive refunds thanks to the settlements, which also have brought more than \$3 million to Oregon's General Fund.
- Oregon annuities investors are now protected up to \$250,000 if their insurance company becomes insolvent. DCBS asked the Legislature to increase the guaranty amount during the 2010 session.
- Oregon mortgage borrowers are better protected after DCBS implemented a national licensing system for lenders and loan originators. The new licensing system provides higher standards and the ability for regulators to better track compliance across state lines. DCBS also has enhanced its mortgage lending examination process, to ensure all companies with an Oregon presence are examined regularly.

- Obtaining building permits and conducting other building-related business in Oregon is faster and easier. Building contractors in 34 jurisdictions can now apply and pay for over-the-counter permits online as the Building Codes Division's basic services e-permitting portal continues to expand. More than 75,000 permits have been sold through the website. In addition, in 2010, Oregon began adding jurisdictions to a more comprehensive e-permitting program, where contractors can electronically submit building plans and schedule inspections.
- Installing home charging stations for electric vehicles in Oregon is faster and easier because of a new streamlined permitting process.
- To help control health care costs and provide better information to consumers, DCBS has secured two federal grants made available through federal health reform. The grants will help the Insurance Division further strengthen its rate review process and provide a one-stop shop for consumers looking for information on health insurance.
- Many elderly Oregonians were able to recover pre-paid funeral investments as the result of DCBS's pursuit of former cemetery owners who improperly retained consumers' money for personal use.
- Homeowners are better protected because of safety enhancements developed by the Building Codes Division, such as a code change to minimize water intrusion in homes and a process for local building departments to require fire sprinklers in areas where there are no fire stations.
- DCBS customers continue to be able to access more services electronically, such as an online system for elevator permits, Web-based consumer complaint forms, and a system for insurance companies to submit assessments and data electronically.
- Oregon seniors and other investors received information about preventing financial fraud and abuse through a series of presentations around the state conducted by DCBS and other agencies as well as public service announcements that aired throughout Oregon.
- Spanish-speaking workers are receiving more education on safety issues, with Oregon OSHA continuing to add training modules through its PESO bilingual English-Spanish program.
- Although six Oregon banks have closed due to the economic downturn, DCBS was able to facilitate orderly closures. All banks were purchased by other regional banks and no Oregon depositor lost money.

## For more information

For more information on our responsibilities, programs, and initiatives, please visit our website, [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 Page 14.

# Our programs and action plans, 2011-2013

## Workers' Compensation Division

The Workers' Compensation Division protects injured workers' benefits and rights in the workers' compensation system and supports a positive business climate by:

- Enforcing workers' compensation insurance coverage laws so that employers maintain coverage for their subject workers.
- Ensuring that injured workers receive timely and accurate benefits and quality medical care.
- Facilitating injured workers' early return-to-work through incentive programs to employers.
- Resolving medical, vocational, disability, and other disputes.
- Providing consultation, training, and technical assistance to workers, employers, insurers, claims examiners, attorneys, medical providers, and others.
- Administering and overseeing the Workers' Benefit Fund programs.

### Action Plan, 2011-2013

- Help ensure injured workers have access to quality medical care by easing the administrative burden on medical providers. For example, the Workers' Compensation Division is part of a national committee to implement electronic billing for workers' compensation medical services.

- Continue to work with the Medical Advisory Committee to evaluate treatments to ensure they achieve the best outcome for workers at the lowest cost. The committee is looking at treatments for back and shoulder injuries as well as how to best manage the use of "opioid" painkillers for acute and chronic pain.
- Continue to expand return-to-work programs by offering incentives to those who help injured workers find new vocations and jobs and by decreasing the time it takes for return-to-work services to be provided to workers and their employers.
- Implement risk-based auditing of workers' compensation insurers to focus on poor performers and areas where there is more potential for poor performance.
- Continue to streamline processes and prioritize areas of greatest need while coping with reduced revenue.
- Manage hospital costs by setting fees for workers' compensation services that are fair and predictable.
- Expand collaboration with other regulatory agencies to work more efficiently and minimize the disruption on businesses. With the formation of the interagency compliance team, WCD will collaborate with other state departments on employer audits.

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

Oregon OSHA advances workplace safety and health, reduces workplace injuries and illnesses, and reduces the cost of workers' compensation insurance by:

- Inspecting worksites for workplace hazards, including violations of safety and health rules.
- Investigating workplace fatalities, major accidents, and safety and health complaints.
- Providing training and workplace consultation services.
- Developing occupational safety and health rules and other technical resources.

### Action Plan, 2011-2013

- Maintain strong presence in the workplace, in relation to both enforcement and on-site consultation.
- Target educational, collaborative, and enforcement efforts to high-hazard industries and occupations and small employers.
- Focus education and outreach on protecting particularly vulnerable and hard-to-reach worker populations.
- Increase employer and employee access to safety and health training through improved use of technology.
- Improve employer access to and understanding of safety and health standards or rules by providing more direct Web access, writing rules more clearly, and using common industry terminology.
- Ensure that enforcement is used more effectively as a tool to promote compliance, both before and after a particular workplace has been inspected.
- Better protect Oregon workers through increased awareness of confined space requirements, particularly in construction-related activities.

## Building Codes Division

The Building Codes Division ensures safe building construction while supporting a positive business climate by:

- Adopting and administering uniform statewide building codes, including leadership in developing green codes.
- Providing building code and rule interpretation.
- Assisting local government building departments and facilitating dispute resolution.
- Enforcing license, code, and permit requirements.
- Certifying inspectors and licensing trade professionals.
- Facilitating economic development efforts around the state.
- Conducting inspections where local entities do not.
- Streamlining building permit process through e-permitting and other programs

### Action Plan, 2011-2013

- Continue to promote green building methods and technologies.
- Align Oregon codes with national model codes and further reduce Oregon amendments, except in areas that align with policy objectives, such as streamlining, safety, sustainability, and energy-efficiency.

- Continue implementing a comprehensive electronic permitting program, which is available to local jurisdictions throughout the state so that customers can electronically apply for and purchase permits, submit building plans, and schedule inspections.
- Create additional streamlined permitting processes, such as minor label permits, to encourage contractors to comply with building regulations and to help ensure quality construction for consumers.
- Propose stronger requirements for the installation and inspection of residential elevators to better protect consumers.
- Create an online submission form for local jurisdictions to report permitting surcharge revenue and payments.
- Continue to alert consumers, government, and businesses about local code violators.
- Realign inspection services for manufactured homes, recreational vehicles, and prefab structures to meet the changing nature of businesses in those industries.
- Provide Web-based continuing education program opportunities for inspectors, planners, designers, and contractors.

## Division of Finance and Corporate Securities

The Division of Finance and Corporate Securities ensures that a wide range of financial services and products are provided to Oregonians in a safe, sound, equitable, and fraud-free manner. The division:

- Supervises state-chartered or state-licensed financial institutions and financial-services providers (e.g., banks, credit unions, consumer finance companies, pawnbrokers, mortgage lenders, check cashers, 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 industries by investigating complaints and alleged violations and enforcing consumer protection and regulatory laws.
- Provides education and other resources so that consumers can recognize and avoid fraud and inappropriate products and services.

## Action Plan, 2011-2013

- Continue to monitor banks and credit unions at an increased level during these economic times.
- Identify new methods to ensure that Internet providers of financial services meet consumer protection standards, and help consumers understand how to avoid fraud when purchasing these services.
- Assist Oregonians who seek financial help – such as reducing debt or modifying a mortgage loan – by steering them toward licensed entities and educating them about new laws that protect consumers who use these services.
- Continue to work closely with other state agencies and nonprofit housing counselors to provide information and resources to homeowners facing foreclosure.
- Conduct outreach around the state aimed at helping seniors and other investors avoid financial fraud and make good financial decisions.
- Continue to implement enhanced mortgage lending office examinations to ensure sound mortgage lending practices in Oregon.
- Continue to deter financial abuse through strong enforcement efforts both independently and in conjunction with other jurisdictions through administrative, civil, and criminal prosecutions.

## Insurance Division

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

- Licensing insurance companies, producers (agents), adjusters, and consultants.
- Reviewing insurance products and premium rates and monitoring insurer solvency.
- Monitoring insurers and producers to enforce insurance laws and issuing penalties for violations as appropriate.
- Helping resolve consumer complaints, advocating reforms to address common consumer problems, and educating the public about insurance issues.
- Providing information to Oregon Medicare beneficiaries and helping them understand their rights and options.

### Action Plan, 2011-2013

- Continue to scrutinize health insurance rate increases and increases in administrative costs with the help of federal grant money.
- Continue to closely monitor the financial solvency of Oregon’s insurance companies during the financial downturn.
- Implement insurance-related elements of Oregon’s health reform bill, House Bill 2009, and federal health care reform efforts.

- Monitor insurer compliance with new laws regarding insurance payments for totaled cars and credit scoring.
- Give consumers better access to division services, such as consumer complaint filing and general information about insurance, through traditional means as well as advanced technology.
- Continue to provide assistance to Oregonians who lose health insurance coverage during this economic downturn, including ensuring those who were laid off from small employers have the opportunity to continue their health benefits.
- Make licensing and rates and form filing faster and easier for customers through expanded electronic processes and redesigned procedures.
- Explore ways to protect consumers in the growing area of “retainer practices,” in which health care providers charge a set fee to patients for services provided in their offices, regardless of how many visits.
- Better protect Oregonians – particularly seniors – who buy life insurance and annuities by further strengthening standards of conduct for insurers that sell such products.

## Ombudsman for Injured Workers

The Ombudsman for Injured Workers advocates for injured workers in their dealings with the workers' compensation system by:

- Providing workers with information and training about rights and benefits.
- Investigating and acting to resolve complaints.
- Referring injured workers to other sources of assistance.
- Reporting and making recommendations to the Governor, director, and other concerned parties about how injured workers may be better served.

### Action Plan, 2011-2013

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

## Small Business Ombudsman

The Small Business Ombudsman operates as a resource center for small business employers, insurers, trade groups, and agents needing workers' compensation information and assistance by:

- Counseling employers on available choices in the workers' compensation insurance market and on their appeal rights and other options.
- Mediating solutions between employers and insurance companies on classification, audit, coverage, and premium disputes.
- Educating businesses and insurance agents on workers' compensation coverage, pricing, and claims processing.
- Providing information to policymakers about initiatives, legislative concepts, and administrative rule revisions that may affect small business.

### Action Plan, 2011-2013

- Continue to build awareness of the ombudsman by working with Small Business Development Centers, trade groups, small-business fairs, and other agencies and employer groups that engage small businesses.
- Provide excellent service to small businesses by maintaining a 24-hour response time on all inquiries.
- Continue to look for ways to improve the workers' compensation assigned risk plan.

## Workers' Compensation Board

The Workers' Compensation Board provides timely and impartial resolution of disputes arising under the Workers' Compensation Law and the Oregon Safe Employment Act by:

- Producing timely and legally supportable decisions.
- Conducting an efficient, effective, and expeditious review of appealed cases.
- Processing cases to the Court of Appeals in a timely manner.
- Providing timely scheduling of hearing requests.
- Providing mediation services to parties requesting an alternative to litigation.

### Action Plan, 2011-2013

- Enhance electronic docket system to provide quicker and more efficient service to customers, produce reports to help manage agency performance, and make more information available to the public online.
- Automate the Interpreter Services Program, to help better track hiring, scheduling, and the cost of the program.
- Allow for the electronic filing and service of legal documents.
- Continue to maintain the Board Review Division's status of no backlog of cases on appeal.
- Continue to improve the percentage of board orders issued within 120 days of briefing completion without sacrificing quality decisions.
- Continue to maintain a high affirmation rate of board orders at the Court of Appeals.
- Continue to meet timeliness standards within the 90 percent range when setting new requests for hearings, resetting postponed cases, and issuing ALJ Opinion and Orders.
- Continue to resolve Oregon OSHA disputes in a timely and efficient manner.

# Key contacts at DCBS

## Director's Office

Scott Harra, Acting Director, <a href="mailto:dcbs.director@state.or.us">dcbs.director@state.or.us</a> .....	503-947-7872
Lou Savage, Senior Policy Advisor, <a href="mailto:louis.d.savage@state.or.us">louis.d.savage@state.or.us</a> .....	503-947-7867
Lisa Morawski, Public Information, Communications, <a href="mailto:lisa.m.morawski@state.or.us">lisa.m.morawski@state.or.us</a> .....	503-947-7897

## Workers' Compensation Division

John Shilts, Administrator, <a href="mailto:john.l.shilts@state.or.us">john.l.shilts@state.or.us</a> .....	503-947-7551
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## Oregon OSHA

Michael Wood, Administrator, <a href="mailto:michael.wood@state.or.us">michael.wood@state.or.us</a> .....	503-947-7400
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## Building Codes Division

Patrick Allen, Acting Administrator, <a href="mailto:patrick.allen@state.or.us">patrick.allen@state.or.us</a> .....	503-378-4150
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## Insurance Division

Teresa Miller, Administrator, <a href="mailto:teresa.d.miller@state.or.us">teresa.d.miller@state.or.us</a> .....	503-947-7202
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## Division of Finance and Corporate Securities

David Tatman, Administrator, <a href="mailto:david.c.tatman@state.or.us">david.c.tatman@state.or.us</a> .....	503-947-7475
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## Workers' Compensation Board

Abigail Herman, Chair, <a href="mailto:abbie.l.herman@state.or.us">abbie.l.herman@state.or.us</a> .....	503-934-0127
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## Ombudsman for Injured Workers

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## Small Business Ombudsman for Workers' Compensation

David Waki, Small Business Ombudsman, <a href="mailto:david.waki@state.or.us">david.waki@state.or.us</a> .....	503-947-7879
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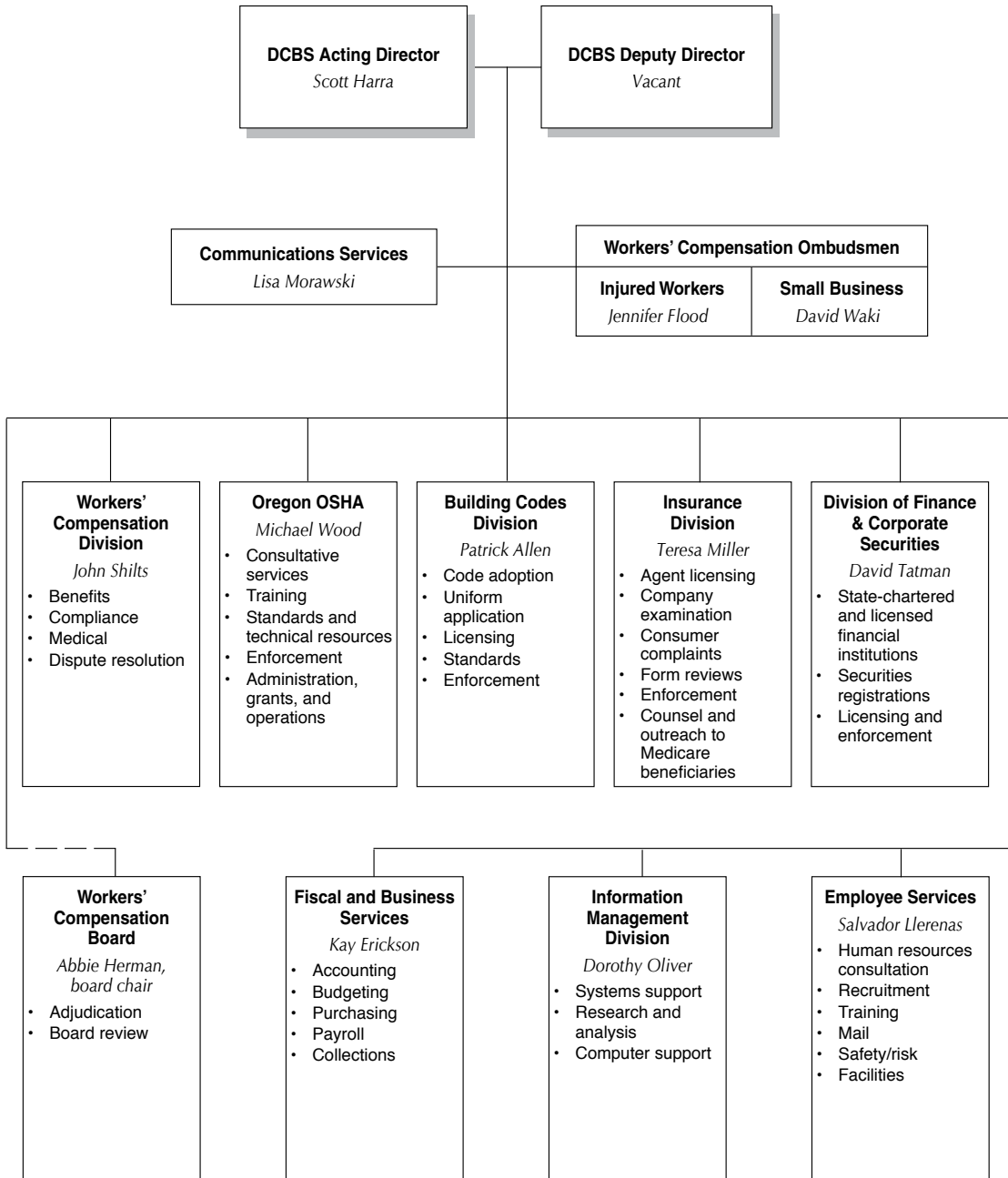
## Senior Health Insurance Benefits Assistance (SHIBA)

Lisa Emerson, Manager, <a href="mailto:lisa.emerson@state.or.us">lisa.emerson@state.or.us</a> .....	503-947-7087
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## DCBS Hotlines

Department of Consumer and Business Services.....	503-378-4100
DCBS en español.....	800-843-8086
Ombudsman for Injured Workers .....	800-927-1271
Small Business Ombudsman for Workers' Compensation.....	503-378-4209
Workers' Compensation Infoline .....	800-452-0288
Workers' Compensation Board.....	877-311-8061
Oregon OSHA.....	800-922-2689
Building Codes Division .....	800-442-7457
Insurance Division.....	888-877-4894
Senior Health Insurance Benefits Assistance.....	800-722-4134
Division of Finance and Corporate Securities.....	866-814-9710

# Department of Consumer and Business Services organizational chart





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