

# Workers' compensation 101

# Introduction

- Need a basic understanding of workers' compensation benefits and general questions.
- Refer client to their attorney, claim adjuster or the Alternative Dispute Resolution (ADR) unit at the Department of Labor and Industry (DLI) for answers to questions.
- ADR: 651-284-5032
  - in Duluth: 218-733-7810 or 800-342-5354, ext. 3

# DLI resources for injured workers

Visit [www.dli.mn.gov/workers/workers-compensation-workers](http://www.dli.mn.gov/workers/workers-compensation-workers).

The screenshot displays the website for the Minnesota Department of Labor and Industry. The header includes the department's logo and name, along with navigation links for Directions, Contact Us, Check a License, Get a Permit, Renew a License, and Make a Payment. A search bar is also present. The main navigation menu includes links for About the Department, For Business, and For Workers. The page title is "WORKERS' COMPENSATION -- WORKERS". The content area provides an overview of the Workers' Compensation Division and lists various resources under three main categories: "What you need to know", "What you can do", and "How we can help". A sidebar on the left lists various professions and services, with "WORKERS' COMPENSATION -- WORKERS" highlighted. Below the main content, there are two large buttons: "Benefits, general information" and "Claim process".

**m1 DEPARTMENT OF LABOR AND INDUSTRY**

DIRECTIONS CONTACT US CHECK A LICENSE GET A PERMIT RENEW A LICENSE MAKE A PAYMENT

ABOUT THE DEPARTMENT FOR BUSINESS FOR WORKERS

For workers and the public > Workers' compensation -- Workers

## WORKERS' COMPENSATION -- WORKERS

The Workers' Compensation Division oversees and administers the workers' compensation system in Minnesota. We strive to create an environment where injured workers promptly receive benefits and services and where the system operates efficiently and effectively.

[INSURANCE LOOKUP >](#) [INFORMATION FOR BUSINESSES >](#)

What you need to know	What you can do	How we can help
<a href="#">Benefits, general information</a>	<a href="#">Call the hotline</a>	<a href="#">Alternative dispute-resolution</a>
<a href="#">Claim process</a>	<a href="#">Insurance lookup</a>	<a href="#">Contacts, resources</a>
<a href="#">FAQs</a>	<a href="#">Reports, publications</a>	<a href="#">DLI's Vocational Rehabilitation</a>
<a href="#">Lumbar fusion information</a>	<a href="#">QRC/vendor lists</a>	<a href="#">Ombudsman</a>
<a href="#">Settlements</a>	<a href="#">Watch our videos</a>	

[WORKERS' COMPENSATION -- WORKERS](#)

- Work comp: Alternative dispute-resolution services
- Work comp: Benefits, general information
- Work comp: Claim process
- Work comp: Contacts, hotline, resources
- Work comp: FAQs

[Benefits, general information](#) [Claim process](#)

# Workers' compensation overview

- Workers' compensation is a no-fault system.
- A work-related injury can be a condition that is caused, aggravated or accelerated by employment activities.

# Basic benefits

- Wage replacement
- Compensation for the loss of use of a part of the body
- Medical benefits
- Vocational rehabilitation services

# Temporary total disability (TTD) benefits

- TTD benefits are payable when an employee is totally unable to work and is two-thirds of the employee's average weekly wage (AWW).
  - If the AWW is \$300, multiply \$300 by two, which equals \$600. Then divide \$600 by three, which equals \$200 (TTD).
- TTD is nontaxable income
- For dates of injury occurring on or after Oct. 1, 2008, a maximum of 130 weeks of TTD are payable unless retraining is approved.
- **Discontinuance of TTD benefits** does not necessarily mean rehabilitation stops or is put on hold.

# Temporary partial disability (TPD) benefits

- TPD wage-loss benefits are payable to employees who are back to work but earning less than their pre-injury wage.
- TPD benefits are payable at two-thirds of the difference between what the employee earned and their current earnings.
  - $\$600 \text{ (AWW)} - \$150 \text{ (light-duty wage)} = \$450.00 \times 2 = 900 \div 3 = \$300$  (TPD paid to the employee by the insurer).
- TPD is nontaxable income.

# Temporary partial disability (TPD) benefits

- For injuries from Oct. 1, 1992, through Sept. 30, 2018, TPD is limited to 225 weeks of paid benefits or 450 weeks after the date of injury.
- **For injuries on or after Oct. 1, 2018, TPD is limited to 275 weeks of paid benefits or 450 weeks after the date of injury.**
- Discontinuance of TPD **does not mean** rehabilitation stops or is put on hold.

# Permanent partial disability (PPD) benefits

- Rating cannot exceed 100% of the whole body for any one injury.
- PPD benefits can be paid concurrently with TPD and permanent total disability (PTD) benefits, but not with TTD benefits.

# Medical benefits

- Medical benefits include a course of treatment with: a physician; physical therapy; surgical procedures; prescriptions; chiropractic care; medications; chronic pain programs.
- Cessation or termination of other benefits, including rehabilitation services, does not automatically affect eligibility for medical coverage.

# Employee's medical condition and rehabilitation benefits

- Medical treatment is governed by Minnesota Rules Chapter 5221.
- The employee's medical condition and work ability may affect his or her return to work with the date of injury (DOI) employer.
- Medical limitations, including permanent work restrictions, may impact other vocational goals, such as acquisition of suitable, gainful employment or a return to pre-injury economic status.

# Effects of maximum medical improvement

- Maximum medical improvement (MMI) means "the date after which no further significant recovery from or significant lasting improvement to a personal injury can reasonably be anticipated, based upon reasonable medical probability, irrespective and regardless of subjective complaints of pain" (Minnesota Statutes 176.011).
- **MMI does not automatically stop rehabilitation services being provided to the employee.**
- The employee's TTD benefits may end 90 days after the employee is served by the insurer.
- It is the claim adjuster's job to ask the physician for MMI, not the qualified rehabilitation consultant's (QRC's).

Mail or fax to:  
MN Department of Labor and Industry  
Workers' Compensation Division  
PO Box 64221  
St. Paul, MN 55164-0221  
(651) 284-5032 or 1-800-342-5354  
Fax: (651) 284-5731

### Disability Status Report

Filed as required by Minn. Rules 5220.0110, subp. 7



PRINT IN INK or TYPE  
ENTER DATES IN MM/DD/YYYY FORMAT

DO NOT USE THIS SPACE

1. WID or SSN 12345		2. DATE OF INJURY 09/04/2020	
3. EMPLOYEE NAME PAT WILLIAMS			
4. EMPLOYEE ADDRESS 411 MAIN STREET			
CITY PEACEFUL VALLEY		STATE MN	ZIP CODE 55800
		5. EMPLOYEE PHONE # (507) 665-4321	
6. EMPLOYER COMPANY ABC		7. EMPLOYER CONTACT PERSON BOB ROBERTS	8. PHONE # (507) 665-7890
9. INSURER/SELF-INSURER/TPA INSURANCE MUTUAL		12. TITLE OF JOB AT DATE OF INJURY	
10. INSURER ADDRESS PO BOX 007		13. AVERAGE WEEKLY WAGE AT DATE OF INJURY \$600.00	14. JOB AT DATE OF INJURY <input checked="" type="checkbox"/> FULL TIME <input type="checkbox"/> PART TIME
CITY MINNEAPOLIS		STATE MN	ZIP CODE 55400
11. INSURER CLAIM NUMBER WC 0001-0404		15. NUMBER OF DAYS OF DISABILITY	16. IS THE EMPLOYEE CURRENTLY WORKING? <input type="checkbox"/> YES <input checked="" type="checkbox"/> NO
		17. WILL THE DISABILITY LIKELY EXTEND BEYOND 13 WEEKS? (see instructions on back) <input checked="" type="checkbox"/> YES <input type="checkbox"/> NO	
18. REASON FOR FILING THE DISABILITY STATUS REPORT: <b>(Check A or B)</b>			
Was a consultation requested? <input checked="" type="checkbox"/> NO <input type="checkbox"/> YES If yes, consultation requested by:			
<input type="checkbox"/> Insurer <input type="checkbox"/> Employer <input type="checkbox"/> Employee on _____ (date of request)			
<input checked="" type="checkbox"/> A. The employee is being referred for a rehabilitation consultation. (Insurer must send a copy of this Disability Status Report, the First Report of Injury, and the treating physician's work ability report to the QRC before the rehabilitation consultation.)			
Name of QRC <u>RITA RULE</u>			
<input type="checkbox"/> B. A waiver of the rehabilitation consultation is being requested. An offer of suitable gainful employment signed by the date-of-injury employer and the treating physician's work ability report are attached. (NOTE: A waiver will not be granted if a consultation has been requested pursuant to Minn. Stat. § 176.102, subd. 4(a).)			
Projected return to work date _____			
Name of insurer representative completing form PAULA PETERSON		Phone number (612) 111-1111	Extension 325
		Date served on employee 11/26/2020	

Mail or fax to:  
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Workers' Compensation Division  
PO Box 64221  
St. Paul, MN 55164-0221  
(651) 284-5032 or 1-800-342-5354  
Fax: (651) 284-5731

### Report of Work Ability

See Instructions of Reverse Side

Print in ink or type  
Enter dates in MM/DD/YYYY format



DO NOT USE THIS SPACE

This form must be provided to the employee.  
(Minn. Rules 5221.0410, I subd. 6)

**NOTICE TO EMPLOYEE: YOU MUST PROMPTLY PROVIDE A COPY OF THIS REPORT TO YOUR EMPLOYER OR WORKERS' COMPENSATION INSURER, AND QUALIFIED REHABILITATION CONSULTANT IF YOU HAVE ONE.**

WID number or SSN 12345	Date of injury 09/04/2020	Date of birth 03/27/2000
Employee PAT WILLIAMS		
Employer COMPANY ABC		
Insurer/Self-insurer-TPA INSURANCE MUTUAL		
Insurer claim number WC 0001-0404		

Date of most recent examination by this office 11/18/2020

Select the appropriate option(s) below and fill in the applicable dates.

- Employee is able to work without restrictions as of \_\_\_\_\_ (date)
- Employee is able to work with restrictions, from \_\_\_\_\_ (date) to \_\_\_\_\_ (date)

The restrictions are:

- Employee is unable to work from 11/19/2020 (date) to 12/18/2020 (date)

The next scheduled visit is:  as needed OR \_\_\_\_\_

Name (Type or Print) Dr. Crunch		Signature		Degree D.C.
Address 444 OTHER STREET		State MN	License #/Registration # 99999	
City PEACEFUL VALLEY	State MN	ZIP code 55800	Phone # (include area code)	Date signed 11/19/2020

MN RW01 (5/17)

# Permanent total disability (PTD) benefits

- **Vocationally permanent** – QRCs or vocational experts need to consider both medical and vocational factors.
- **Medically permanent** – A doctor saying it is medically permanent does not mean the employee will receive TTD benefits through age 67 or age 72. So closing rehabilitation based on this, may not be appropriate.
- **Job search** – While not required, it is most often used regarding determinations of permanent total impairment.

# Permanent total disability (PTD) benefits

## New statutory language

- Minnesota Statutes 176.101, subdivision 4, was changed to: "Permanent total disability shall cease at age ~~67 because the employee is presumed retired from the labor market~~ 72, except that if an employee is injured after age 67, permanent total disability benefits shall cease after five years of those benefits have been paid." This became effective Oct. 1, 2018.
- **Note:** This applies only to dates of injury on or after Oct. 1, 2018.

# Dependency benefits and rehabilitation

Where an injury results in the death of an injured worker, rehabilitation benefits may be provided to the dependent surviving spouse who is in need of rehabilitation assistance to become self-supporting.

# Time limit to request retraining

- For dates of injury occurring from Oct. 1, 2000, through Sept. 30, 2008, a request for retraining must be filed with the department before the insurer has paid 156 weeks of TTD and/or TPD benefits.
- For dates of injury occurring on or after Oct. 1, 2008, a request for retraining must be filed with the department before the insurer has paid 208 weeks of TTD and/or TPD benefits (Minn. Stat. 176.102, subd. 11(c)).

# Notification to injured worker for a request for retraining

- The employer or insurer must notify the employee of the limitation in writing.
- For dates of injury on or after Sept. 1, 1995: Before 80 weeks of TTD or TPD benefits have been paid.
- If the notice is not given, the time period to request retraining is extended by the number of days the notice is late.
- In no event may the employee's request be filed later than 225 weeks of any combination of TTD and TPD benefits.

# Rehabilitation provider fees Oct. 1, 2019

- The QRC rate is \$109.38 an hour.
- The QRC intern rate is \$99.38 an hour.
- The vendor rate is \$87.61 an hour.
- What qualifies as nonprofessional time:
  - half of hourly rate for wait time; and
  - three-quarters of the hourly rate for travel time.
- The insurer payment of QRC or vendor bills should be 30 calendar days after receipt.

# Rehabilitation provider fees are online at [www.dli.mn.gov/sites/default/files/pdf/annladj.pdf](http://www.dli.mn.gov/sites/default/files/pdf/annladj.pdf)

Vocational rehabilitation maximum fees			
Effective date	Rehabilitation annual adjustment for hourly fees	Max QRC hourly fee (pay this fee or provider rate, whichever is lower)	Max job development and placement fee (pay this fee or provider rate, whichever is lower)
10/1/2018	3.00%	\$106.19	\$85.06
10/1/2019	3.00%	\$109.38	\$87.61

Mileage reimbursement (personal car)	
Effective date	Cents per mile
1/1/2015	57.5
1/1/2016	54.0
1/1/2017	53.5
1/1/2018	54.5
1/1/2019	58.0

# QRC R-form penalties

- Minnesota workers' compensation law requires R-forms to be filed.
  - Keep your rehabilitation plan up to date.
  - Use a "tickler" system so R-forms and reports get filed on time.
- Contact DLI regarding missing or incorrect R-forms.

August 1, 2018

QRC #: xxx

xxxxxxx  
xxxxxxxxxxxxxx  
xxxxxxxxxxxxxx  
xxxxxxxxxxxxxx  
xxxxxxxxxxxxxx  
xxxxxxxxxxxxxx

RE: Employee: xxxxxxxx  
Employer: xxxxxxxx  
WID: xxxxxx D/I: xxxxxx  
Insurer: xxxxxxxxxxxxxxxx  
Insurer xxxxxxxxxxxxxxxx

Dear xxxxxxxx:

You filed a [RFORMRCVD] on [DATERCVD].

The following required rehabilitation form(s) have not been filed:

- \_\_\_\_\_ Rehabilitation Consultation Report (RCR) form and narrative report (Minn. R. 5220.0130)
- \_\_\_\_\_ R-2 Rehabilitation Plan form and initial evaluation report (Minn. R. 5220.0410 and 5220.1803, subp. 5)
- \_\_\_\_\_ Plan Progress Report (PPR) or R-3 form used as a PPR (Minn. R. 5220.0450)
- \_\_\_\_\_ R-3 Rehabilitation Plan Amendment form (Minn. R. 5220.0510)
- \_\_\_\_\_ R-8 Rehabilitation Plan Closure and summary report, if the plan is closed. (Minn. R. 5220.0510, subp. 7)

If the Department does not receive the above required form(s) within 21 days of this request, you may be subject to a penalty up to \$500.00 (Minn. Stat. § 176.231, subd. 10, and Minn. R. 5220.2830, subp. 2).

Repeated failure to file forms with the Department may result in a referral for discipline (Minn. Stat. § 176.102, subd. 3a, and Minn. R. 5220.1806).

Sincerely,



JoAnn Jacobson, Rehabilitation Registration Specialist  
Workers' Compensation Division  
Phone: (651) 284-5459  
Fax: (651) 284-5731

# Minnesota Rules 5220.2830: DLI may assess a penalty for failure to file a required report

Filed/received past due date (required form)	Penalty assessed
More than 30 days	\$125
More than 90 days	\$375
More than 180 days	\$500

Filed/received past due date (report on a form request by DLI)	Penalty assessed
More than 21 days	\$125
Failure to respond to second request	\$375
Failure to respond to a subsequent request	\$500

**Thank you.**