

New benefit and provider fee levels effective October 2017

By Brian Zaidman, Research and Statistics, and Kate Berger, Office of General Counsel

The statewide average weekly wage (SAWW) effective Oct. 1, 2017, is \$1,041, a 1.46 percent increase from the current SAWW of \$1,026, which has been in effect since Oct. 1, 2016. (See the table below.) The levels for minimum and maximum weekly benefit payments are presented in the table on page 4. The statewide annual average wage will change to \$54,132 on Jan. 1, 2018.

The new SAWW is based on 2016 payroll and employment figures supplied by the Department of Employment and Economic Development and the calculation procedure in Minnesota Statutes § 176.011, subd. 1b. The change in the SAWW is the basis for the M.S. § 176.645 annual benefit adjustment. The time of the first adjustment is limited by M.S. § 176.645, subd. 2.

Pursuant to Minnesota Rules 5220.1900, subp. 1b, the maximum qualified rehabilitation consultant (QRC) hourly fee will increase by 1.46 percent to \$108.78 on Oct. 1, 2017. The maximum hourly rate for rehabilitation job development and placement services, whether provided by rehabilitation vendors or by QRC firms, will increase to \$82.58 on Oct. 1, 2017. Notice of the increase will be published in the *State Register* in September 2017.

Fee schedule adjustments

The annual adjustments to the workers' compensation medical fee schedule conversion factors and the independent medical examination fees are as follows subject to the approval of an administrative law judge.

1. Conversion factor annual adjustment: Minnesota

Statutes § 176.136, subd. 1a, paragraph (c)(1), provides for annual adjustment of the medical fee schedule conversion factors by no more than the percent change in the SAWW. As in previous years, the Department of Labor and Industry (DLI) is adjusting the conversion factors by the percent change in the Producer Price Index for Offices of Physicians (PPI-P) for 2016 (annual-average basis).¹ This change is +0.2 percent.

Therefore, for services provided on or after Oct. 1, 2017, the new conversion factors will be:

- medical/surgical services described in Minnesota Rules 5221.4030.....\$69.62
- pathology and laboratory services described in Minn. R. 5221.4040\$56.81
- physical medicine/rehabilitation services described in Minn. R. 5221.4050\$55.68
- chiropractic services described in Minn. R. 5221.4060\$49.44
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2. IME fee adjustment: Minnesota Rules, part 5219.0500, subp. 4, provides for adjustment of the maximum fees for independent medical examinations (IMEs) in the same manner as the adjustment of the conversion factors.

Therefore, the maximum fees will increase by 0.2 percent for services provided on or after Oct. 1, 2017.

¹The PPI, produced by the U.S. Bureau of Labor Statistics, measures the average change over time in the selling prices received by producers for their output. The annual PPI-P and the associated annual changes (using industry code 62111 – offices of physicians) are available at www.bls.gov/ppi/data.htm.

Statewide average weekly wage Effective Oct. 1 of the indicated year		
	Statewide average weekly wage	Percent change from prior year
2004.....	\$740	3.06%
2005.....	\$774	4.59%
2006.....	\$782	1.03%
2007.....	\$808	3.32%
2008.....	\$850	5.20%
2009.....	\$878	3.29%
2010.....	\$868	-1.14%
2011.....	\$896	3.23%
2012.....	\$916	2.23%
2013.....	\$945	3.17%
2014.....	\$961	1.69%
2015.....	\$989	2.91%
2016.....	\$1,026	3.74%
2017.....	\$1,041	1.46%

Compensation rates as of Oct. 1, 2017

Statewide average weekly wage (SAWW) = \$1,041
Percentage change in SAWW from previous year = 1.46%
(Apply Minnesota Statutes § 176.645 adjustment as necessary based on date of injury.)

Maximum under M.S. §§ 176.101 and 176.111	Minimum under M.S. § 176.101, subd. 1(2)	Supplementary benefits under M.S. § 176.132 (Minnesota Statutes 1994)
	<i>50% of the SAWW or gross wage, whichever is less, but in no case less than 20% of the SAWW</i>	M.S. § 176.101, subd. 4 (for injuries 10-1-95 and later)
10-01-89 \$413.00	50% 20%	10-01-99 \$399.75 (rounded to \$400)*
10-01-90 \$428.00	10-01-88 \$195.50 (gross wage – \$293.25) \$ 78.20	10-01-00 \$417.30 (rounded to \$418)*
10-01-91 \$443.00	10-01-89 \$206.50 (gross wage – \$309.75) \$ 82.60	10-01-01 \$442.00 (round)
105% of SAWW	10-01-90 \$214.00 (gross wage – \$321.00) \$ 85.60	10-01-02 \$456.30 (rounded to \$457)*
10-01-92 \$481.95	10-01-91 \$221.50 (gross wage – \$332.25) \$ 88.60	10-01-03 \$466.70 (rounded to \$467)*
10-01-93 \$508.20	20% of the SAWW or the employee's actual weekly wage, whichever is less	10-01-04 \$481.00 (round)
10-01-94 \$516.60	10-01-92 \$91.80	10-01-05 \$503.10 (rounded to \$504)*
Set by statute	10-01-93 \$96.80	10-01-06 \$508.30 (rounded to \$509)*
10-01-95 \$615.00	10-01-94 \$98.40	10-01-07 \$525.20 (rounded to \$526)*
10-01-00 \$750.00	Set by statute, the listed amount or the employee's actual weekly wage, whichever is less	10-01-08 \$552.50 (rounded to \$553)
10-01-08 \$850.00	10-01-95 \$104.00	10-01-09 \$570.70 (rounded to \$571)*
102% of SAWW	10-01-00 \$130.00	10-01-10 \$564.20 (rounded to \$565)*
10-01-13 \$963.90		10-01-11 \$582.40 (rounded to \$583)*
10-01-14 \$980.22		10-01-12 \$595.40 (rounded to \$596)*
10-01-15 \$1,008.78		10-01-13 \$614.25 (rounded to \$615)*
10-01-16 \$1,046.52		10-01-14 \$624.65 (rounded to \$625)*
10-01-17 \$1,061.82		10-01-15 \$642.85 (rounded to \$643)*
		10-01-16 \$666.90 (rounded to \$667)*
		10-01-17 \$676.65 (rounded to \$677)*

*Rounding applies to supplementary benefits.

New benefit and provider fee levels effective October 2016

By Brian Zaidman, Research and Statistics, and Kate Berger, Office of General Counsel

The statewide average weekly wage (SAWW) effective Oct. 1, 2016, is \$1,026, a 3.74 percent increase from the current SAWW of \$989, which has been in effect since Oct. 1, 2015. (See the table below.) The levels for minimum and maximum weekly benefit payments are presented in the table on page 5. The statewide annual average wage will change to \$53,349 on Jan. 1, 2017.

The new SAWW is based on 2015 payroll and employment figures supplied by the Department of Employment and Economic Development and the calculation procedure in Minnesota Statutes § 176.011, subd. 1b. The change in the SAWW is the basis for the M.S. § 176.645 annual benefit adjustment. The time of the first adjustment is limited by M.S. § 176.645, subd. 2.

Pursuant to Minnesota Rules 5220.1900, subp. 1b, the maximum qualified rehabilitation consultant (QRC) hourly fee will increase by 3.00 percent to \$107.21 on Oct. 1, 2016. The maximum hourly rate for rehabilitation job development and placement services, whether provided by rehabilitation vendors or by QRC firms, will increase to \$81.39 on Oct. 1, 2016. Notice of the increase will be published in the *State Register* in September 2016.

Fee schedule adjustments

The adjustments to the workers' compensation medical fee schedule conversion factors and the independent medical examination fees are as follows.

1. Conversion factor adjustment based on updated relative value units (RVUs) and rules:

Pursuant to Minnesota Statutes § 176.136, subd. 1a, paragraph (c), the Department of Labor and Industry (DLI) is updating the fee schedule by incorporating by reference the 2016 Medicare RVUs. The Notice of Incorporation by Reference of the 2016 Relative Value

Tables was published in the *State Register* on Aug. 8, 2016; it is also on page 4 of this publication. Rule amendments to implement the new RVU tables have been approved by an administration law judge at the Office of Administrative Hearings and will be published in the *State Register* in September 2016. A link to the corresponding rule amendments is at www.dli.mn.gov/Pdf/docket/5219_5221_rules.pdf.

As required by M.S. § 176.136, subd. 1a, paragraph (c)(2), DLI has adjusted the conversion factors so that overall payment for services covered under both the old and new RVUs will be the same under both sets of RVUs.¹ As required by law, DLI has done this separately for each of the four categories of services listed below.

¹For this calculation, DLI used a de-identified database of Minnesota workers' compensation medical services, charges and related data. The database was a 20-percent sample from the Minnesota Workers' Compensation Medical Data Call, provided to DLI by the Minnesota Workers' Compensation Insurers Association.

Statewide average weekly wage Effective Oct. 1 of the indicated year

	Statewide average weekly wage	Percent change from prior year
2002.....	\$702	3.24%
2003.....	\$718	2.28%
2004.....	\$740	3.06%
2005.....	\$774	4.59%
2006.....	\$782	1.03%
2007.....	\$808	3.32%
2008.....	\$850	5.20%
2009.....	\$878	3.29%
2010.....	\$868	-1.14%
2011.....	\$896	3.23%
2012.....	\$916	2.23%
2013.....	\$945	3.17%
2014.....	\$961	1.69%
2015.....	\$989	2.91%
2016.....	\$1,026	3.74%

As a result of the adjustments, for services provided on or after Oct. 1, 2016, the new conversion factors will be:

- medical/surgical services described in Minnesota Rules 5221.4030\$69.48
- pathology and laboratory services described in Minn. R. 5221.4040\$56.70
- physical medicine/rehabilitation services described in Minn. R. 5221.4050\$55.57
- chiropractic services described in Minn. R. 5221.4060.....\$49.34

2. Conversion factor annual adjustment: M.S. § 176.136, subd. 1a, paragraph (c)(1) provides for annual adjustment of the medical fee schedule conversion factors by no more than the percent change in the SAWW. DLI adjusts the conversion factors (computed as described above) by the percent change in the Producer Price Index for Offices of Physicians (PPI-P).² Because the change in PPI-P for 2015 was -1.2 percent, no additional adjustment to the conversion factors is made.

IME fee adjustments

Minnesota Rules, part 5219.0500, subp. 4, provides for adjustment of the maximum fees for independent medical examinations (IMEs) in the same manner as the annual adjustment of the conversion factors. Because there is no annual adjustment of the conversion factors, the maximum IME fees remain the same for services provided on or after Oct. 1, 2016.

All of the above referenced documents are also online at www.dli.mn.gov/WC/HealthCareProv.asp.

²The PPI, produced by the U.S. Bureau of Labor Statistics, measures the average change over time in the selling prices received by producers for their output. The annual PPI-P and the associated annual changes (using industry code 62111 – offices of physicians) are available at www.bls.gov/ppi/data.htm.

Notice of incorporation by reference of relative value tables

Whereas;

Minnesota Statutes § 176.136, subd. 1a, paragraph (d), clause (2) (supp. 2015), requires the commissioner to, at least every three years, update the workers' compensation relative value tables in the workers' compensation fee schedule in Minnesota Rules, Chapter 5221, by incorporating by reference the relative value tables in the national physician fee schedule relative value file established by the Centers for Medicare and Medicaid Services (CMS). Each notice of incorporation must state the date the incorporated tables will become effective and must include information about how the Medicare relative value tables may be obtained.

Therefore, notice is hereby given that the following relative value tables, released by CMS on Feb. 2, 2016, are incorporated by reference, effective for workers' compensation health care services provided on or after Oct. 1, 2016:

The files CY2016_GPCIs and PPRRVU16_April_V0202 found in RVU16B [ZIP, 3MB] on the "PFS Relative Value Files" page are on the CMS website currently at:
<https://www.cms.gov/Medicare/Medicare-Fee-for-Service-Payment/PhysicianFeeSched/PFS-Relative-Value-Files-Items/RVU16B.html?DLPage=1&DLEntries=10&DLSort=0&DLSortDir=descending>.

Additional information about how to access these tables is available on the Department of Labor and Industry website at www.dli.mn.gov/WC/HealthCareProv.asp.

Pursuant to Minnesota Statutes § 176.136, subd. 1a, paragraphs (c) and (d), notice of amendments to rules to implement the above incorporated tables will be published in the *State Register* in September 2016.

Compensation rates as of Oct. 1, 2016

Statewide average weekly wage (SAWW) = \$1,026
Percentage change in SAWW from previous year = 3.74%

(Apply Minnesota Statutes § 176.645 adjustment as necessary based on date of injury.)

Maximum under M.S. §§ 176.101 and 176.111

100% of SAWW	
10-01-88.....	\$391.00
10-01-89.....	\$413.00
10-01-90.....	\$428.00
10-01-91.....	\$443.00
105% of SAWW	
10-01-92.....	\$481.95
10-01-93.....	\$508.20
10-01-94.....	\$516.60
Set by statute	
10-01-95.....	\$615.00
10-01-00.....	\$750.00
10-01-08.....	\$850.00
102% of SAWW	
10-01-13.....	\$963.90
10-01-14.....	\$980.22
10-01-15.....	\$1,008.78
10-01-16.....	\$1,046.52

Minimum under M.S. § 176.101, subd. 1(2)

50% of the SAWW or gross wage, whichever is less, but in no case less than 20% of the SAWW	
50%	20%
10-01-88.....	\$195.50 (gross wage – \$293.25) \$ 78.20
10-01-89.....	\$206.50 (gross wage – \$309.75) \$ 82.60
10-01-90.....	\$214.00 (gross wage – \$321.00) \$ 85.60
10-01-91.....	\$221.50 (gross wage – \$332.25) \$ 88.60
20% of the SAWW or the employee's actual weekly wage, whichever is less	
10-01-92.....	\$91.80
10-01-93.....	\$96.80
10-01-94.....	\$98.40

Set by statute, the listed amount or the employee's
actual weekly wage, whichever is less

10-01-95 \$104.00

10-01-00 \$130.00

Supplementary benefits under M.S. § 176.132 (Minnesota Statutes 1994) and permanent total minimum under M.S. § 176.101, subd. 4 (for injuries 10-1-95 and later)

10-01-98.....	\$376.35	(rounded to \$377)*
10-01-99.....	\$399.75	(rounded to \$400)*
10-01-00.....	\$417.30	(rounded to \$418)*
10-01-01.....	\$442.00	(round)
10-01-02.....	\$456.30	(rounded to \$457)*
10-01-03.....	\$466.70	(rounded to \$467)*
10-01-04.....	\$481.00	(round)
10-01-05.....	\$503.10	(rounded to \$504)*
10-01-06.....	\$508.30	(rounded to \$509)*
10-01-07.....	\$525.20	(rounded to \$526)*
10-01-08.....	\$552.50	(rounded to \$553)
10-01-09.....	\$570.70	(rounded to \$571)*
10-01-10.....	\$564.20	(rounded to \$565)*
10-01-11.....	\$582.40	(rounded to \$583)*
10-01-12.....	\$595.40	(rounded to \$596)*
10-01-13.....	\$614.25	(rounded to \$615)*
10-01-14.....	\$624.65	(rounded to \$625)*
10-01-15.....	\$642.85	(rounded to \$643)*
10-01-16.....	\$666.90	(rounded to \$667)*

*Rounding applies to supplementary benefits.

New benefit and provider fee levels effective October 2015

By Brian Zaidman, Research and Statistics, and Kate Berger, Office of General Counsel

The statewide average weekly wage (SAWW) effective Oct. 1, 2015, is \$989, a 2.91 percent increase from the current SAWW of \$961, which has been in effect since Oct. 1, 2014. (See the table below.) The levels for minimum and maximum weekly benefit payments are presented in the table on page 4. The statewide annual average wage will change to \$51,420 on Jan. 1, 2016.

The new SAWW is based on 2014 payroll and employment figures supplied by the Department of Employment and Economic Development and the calculation procedure in Minnesota Statutes § 176.011, subd. 1b. The change in the SAWW is the basis for the M.S. § 176.645 annual benefit adjustment. The time of the first adjustment is limited by M.S. § 176.645, subd. 2.

Pursuant to Minnesota Rules 5220.1900, subp. 1b, the maximum qualified rehabilitation consultant (QRC) hourly fee will increase by 2.91 percent to \$104.09 on Oct. 1, 2015. The maximum hourly rate for rehabilitation job development and placement services, whether provided by rehabilitation vendors or by QRC firms, will increase to \$79.02 on Oct. 1, 2015. Notice of the increase will be published in the *State Register* in September 2015.

Fee schedule adjustments

The adjustments to the workers' compensation medical fee schedule conversion factors and the independent medical examination fees are as follows and will be published in the *State Register* in September.

1. Conversion factor annual adjustment: Minnesota Statutes § 176.136, subd. 1a, paragraph (c)(1), provides for annual adjustment of the medical fee schedule conversion factors by no more than the percent change in the SAWW. As in previous years, DLI is adjusting the conversion factors by the percent change in the Producer Price Index for Offices of Physicians (PPI-P) between 2013 and 2014 (annual-average basis).^{*} This change is +0.6 percent.

Therefore, for services provided on or after Oct. 1, 2015, the new conversion factors will be:

- medical/surgical services described in Minnesota Rules 5221.4030 \$65.12
- pathology and laboratory services described in Minn. R. 5221.4040 \$56.08
- physical medicine/rehabilitation services described in Minn. R. 5221.4050 \$49.18
- chiropractic services described in Minn. R. 5221.4050 \$49.09

2. IME fee adjustment: Minnesota Rules, part 5219.0500, subp. 4, provides for adjustment of the maximum fees for independent medical examinations (IMEs) in the same manner as the adjustment of the conversion factors. Therefore, the maximum IME fees will increase by 0.6 percent for services provided on or after Oct. 1, 2015.

^{*}The PPI, produced by the U.S. Bureau of Labor Statistics, measures the average change over time in the selling prices received by producers for their output. The annual PPI-P and the associated annual changes (using industry code 62111 – offices of physicians) are available at www.bls.gov/ppi/data.htm.

Statewide average weekly wage Effective Oct. 1 of the indicated year		
	Statewide average weekly wage	Percent change from prior year
2001	\$680	5.92%
2002	\$702	3.24%
2003	\$718	2.28%
2004	\$740	3.06%
2005	\$774	4.59%
2006	\$782	1.03%
2007	\$808	3.32%
2008	\$850	5.20%
2009	\$878	3.29%
2010	\$868	-1.14%
2011	\$896	3.23%
2012	\$916	2.23%
2013	\$945	3.17%
2014	\$961	1.69%
2015	\$989	2.91%

Compensation rates as of Oct. 1, 2015

Statewide average weekly wage (SAWW) = \$989 Percentage change in SAWW from previous year = 2.91%

(Apply Minnesota Statutes § 176.645 adjustment as necessary based on date of injury.)

Maximum under M.S. §§ 176.101 and 176.111	Minimum under M.S. § 176.101, subd. 1(2)	Supplementary benefits under M.S. § 176.132 (Minnesota Statutes 1994) and permanent total minimum under M.S. § 176.101, subd. 4 (for injuries 10-1-95 and later)
10-01-88\$391.00	50% of the SAWW or gross wage, whichever is less, but in no case less than 20% of the SAWW	10-01-96\$340.60 (rounded to \$341)*
10-01-89\$413.00	50%\$195.50 (gross wage - \$293.25)\$ 78.20	10-01-97\$359.45 (rounded to \$360)*
10-01-90\$428.00	20% of the SAWW or the employee's actual weekly wage, whichever is less	10-01-98\$376.35 (rounded to \$377)*
10-01-91\$443.00	10-01-92\$91.80	10-01-99\$399.75 (rounded to \$400)*
10-01-92\$481.95	10-01-93\$96.80	10-01-00\$417.30 (rounded to \$418)*
10-01-93\$508.20	10-01-94\$98.40	10-01-01\$442.00 (round)
10-01-94\$516.60	Set by statute, the listed amount or the employee's actual weekly wage, whichever is less	10-01-02\$456.30 (rounded to \$457)*
10-01-95\$615.00	10-01-95\$104.00	10-01-03\$466.70 (rounded to \$467)*
10-01-00\$750.00	10-01-00\$130.00	10-01-04\$481.00 (round)
10-01-08\$850.00		10-01-05\$503.10 (rounded to \$504)*
10-01-13\$963.90		10-01-06\$508.30 (rounded to \$509)*
10-01-14\$980.22		10-01-07\$525.20 (rounded to \$526)*
10-01-15\$1,008.78		10-01-08\$552.50 (rounded to \$553)
		10-01-09\$570.70 (rounded to \$571)*
		10-01-10\$564.20 (rounded to \$565)*
		10-01-11\$582.40 (rounded to \$583)*
		10-01-12\$595.40 (rounded to \$596)*
		10-01-13\$614.25 (rounded to \$615)*
		10-01-14\$624.65 (rounded to \$625)*
		10-01-15\$642.85 (rounded to \$643)*

*Rounding applies to supplementary benefits.

New benefit and provider fee levels effective October 2014

By Brian Zaidman, Research and Statistics, and Kate Berger, General Counsel

The statewide average weekly wage (SAWW) effective Oct. 1, 2014, is \$961, a 1.69 percent increase from the current SAWW of \$945, which has been in effect since Oct. 1, 2013. (See the table below.) The levels for minimum and maximum weekly benefit payments are presented in the table on page 4. The statewide annual average wage will change to \$49,924 on Jan. 1, 2015.

The new SAWW is based on 2013 payroll and employment figures supplied by the Department of Employment and Economic Development and the calculation procedure in Minnesota Statutes § 176.011, subd. 1b. The change in the SAWW is the basis for the M.S. § 176.645 annual benefit adjustment. The time of the first adjustment is limited by M.S. § 176.645, subd. 2.

Pursuant to Minnesota Rules 5220.1900, subp. 1b, the maximum qualified rehabilitation consultant (QRC) hourly fee will increase by 1.69 percent, to \$101.15 on Oct. 1, 2014. The maximum hourly rate for rehabilitation job development and placement services, whether provided by rehabilitation vendors or by QRC firms, will increase to \$76.79 on Oct. 1, 2014. Notice of the increase will be published in the *State Register* in September 2014.

Conversion factor adjustments

This year there are two adjustments to the workers' compensation medical fee schedule conversion factors. Minnesota Statutes § 176.136, subd. 1a, paragraph (g)(1), provides for annual adjustment of the medical fee schedule conversion factors by no more than the percent change in the SAWW. As in previous years, the Department of Labor and Industry (DLI) is adjusting the new conversion factors by the 0.2 percent change in the Producer Price Index for Offices of Physicians (PPI-P) between 2012 and 2013 (average – annual basis).¹

In addition to the 0.2 percent adjustment based on the PPI-P, the conversion factors are adjusted to correct two minor programming errors in the calculation of the 2013 conversion factors when the relative value tables were updated. When the relative value tables are updated, the law requires the conversion factors to be adjusted to ensure that, for services in both the old and new fee schedules, there is no difference between the overall payment in each service category. One of the programming errors occurred because the calculations were performed on some physical medicine and chiropractic services that were not included in *both* the old and new workers' compensation fee schedules. The second error occurred because an updated Geographic Practice Cost Index for Minnesota for the relative value tables was not used. To correct these errors, the 2013 conversion factors are further adjusted as shown in the table prepared by DLI's Research and Statistics unit at www.dli.mn.gov/RS/Pdf/conversion_factors_2014.pdf.

For services provided on or after or after Oct. 1, 2014, the new conversion factors will be:

- medical/surgical services in part 5221.4030 \$64.73
- pathology/laboratory services in part 5221.4040 \$55.75
- physical medicine/rehabilitation services in part 5221.4050 \$48.89
- chiropractic services in part 5221.4060 \$48.80

IME fee adjustments

Minnesota Rules 5219.0500, subp. 4, provides for adjustment of the maximum fees for independent medical examinations (IMEs) in the same manner as the adjustment of the conversion factors. Therefore, the maximum IME fees will increase by 0.2 percent for services on or after Oct. 1, 2014.

Statewide average weekly wage Effective Oct. 1 of the indicated year

	Statewide average weekly wage	Percent change from prior year
2000.....	\$642.....	4.39%
2001.....	\$680.....	5.92%
2002.....	\$702.....	3.24%
2003.....	\$718.....	2.28%
2004.....	\$740.....	3.06%
2005.....	\$774.....	4.59%
2006.....	\$782.....	1.03%
2007.....	\$808.....	3.32%
2008.....	\$850.....	5.20%
2009.....	\$878.....	3.29%
2010.....	\$868.....	-1.14%
2011.....	\$896.....	3.23%
2012.....	\$916.....	2.23%
2013.....	\$945.....	3.17%
2014.....	\$961.....	1.69%

¹The PPI, produced by the U.S. Bureau of Labor Statistics, measures the average change over time in the selling prices received by producers for their output. The annual PPI-P and the associated annual changes (using industry code 62111 – offices of physicians) are available at www.bls.gov/ppi/data.htm.

Compensation rates as of Oct. 1, 2014

Statewide average weekly wage (SAWW) = \$961
Percentage change in SAWW from previous year = 1.69%
(Apply Minnesota Statutes §176.645 adjustment as necessary based on date of injury.)

Maximum under M.S. §§176.101 and 176.111	Minimum under M.S. §176.101, subd. 1(2)	Supplementary benefits under M.S. §176.132 (Minnesota Statutes 1994)
100% of SAWW	50% _____ 20%	M.S. §176.101, subd. 4 (for injuries 10-1-95 and later)
10-01-88.....\$391.00	10-01-88.....\$195.50 (gross wage – \$293.25)\$ 78.20	10-01-95..... \$328.25 (rounded to \$329)*
10-01-89.....\$413.00	10-01-89.....\$206.50 (gross wage – \$309.75)\$ 82.60	10-01-96.....\$340.60 (rounded to \$341)*
10-01-90.....\$428.00	10-01-90.....\$214.00 (gross wage – \$321.00)\$ 85.60	10-01-97.....\$359.45 (rounded to \$360)*
10-01-91.....\$443.00	10-01-91.....\$221.50 (gross wage – \$332.25)\$ 88.60	10-01-98.....\$376.35 (rounded to \$377)*
105% of SAWW	20% of the SAWW or the employee's actual weekly wage, whichever is less	10-01-99.....\$399.75 (rounded to \$400)*
10-01-92.....\$481.95	10-01-92.....\$91.80	10-01-00.....\$417.30 (rounded to \$418)*
10-01-93.....\$508.20	10-01-93.....\$96.80	10-01-01.....\$442.00 (round)
10-01-94.....\$516.60	10-01-94.....\$98.40	10-01-02.....\$456.30 (rounded to \$457)*
Set by statute	Set by statute, the listed amount or the employee's actual weekly wage, whichever is less	10-01-03.....\$466.70 (rounded to \$467)*
10-01-95.....\$615.00	10-01-95.....\$104.00	10-01-04.....\$481.00 (round)
10-01-00.....\$750.00	10-01-00 \$130.00	10-01-05.....\$503.10 (rounded to \$504)*
10-01-08.....\$850.00		10-01-06.....\$508.30 (rounded to \$509)*
102% of SAWW		10-01-07.....\$525.20 (rounded to \$526)*
10-01-13.....\$963.90		10-01-08.....\$552.50 (rounded to \$553)
10-01-14\$980.22		10-01-09.....\$570.70 (rounded to \$571)*
		10-01-10.....\$564.20 (rounded to \$565)*
		10-01-11.....\$582.40 (rounded to \$583)*
		10-01-12.....\$595.40 (rounded to \$596)*
		10-01-13.....\$614.25 (rounded to \$615)*
		10-01-14\$624.65 (rounded to \$625)*

*Rounding applies to supplementary benefits.

New benefit and provider fee levels effective October 2013

By Brian Zaidman, Research Analyst, Research and Statistics, and Kate Berger, General Counsel

The statewide average weekly wage (SAWW) effective Oct. 1, 2013, is \$945, a 3.17 percent increase from the current SAWW of \$916, which has been in effect since Oct. 1, 2012. (See the table below.) The levels for minimum and maximum weekly benefit payments are presented in the table on page 10. The statewide annual average wage will change to \$49,134 on Jan. 1, 2014.

The new SAWW is based on 2012 payroll and employment figures supplied by the Department of Employment and Economic Development and the calculation procedure in Minnesota Statutes § 176.011, subd. 1b. The change in the SAWW is the basis for the M.S. § 176.645 annual benefit adjustment. The time of the first adjustment is limited by M.S. § 176.645, subd. 2.

Pursuant to Minnesota Rules 5220.1900, subp. 1b, the maximum qualified rehabilitation consultant (QRC) hourly fee will increase by 3 percent, to \$99.47 Oct. 1, 2013. The maximum hourly rate for rehabilitation job development and placement services, whether provided by rehabilitation vendors or by QRC firms, will increase to \$75.51 on Oct. 1, 2013. Notice of the increase will be published in the *State Register* on Sept. 3, 2013.

This year there are two adjustments to the workers' compensation medical fee schedule conversion factors.

1. Conversion factor adjustment based on updated relative value

units (RVUs) and rules: Pursuant to M.S. § 176.136, subd. 1a, paragraph (h), the Department of Labor and Industry (DLI) is updating the fee schedule by incorporating by reference the 2013 Medicare RVUs. The Notice of Incorporation by Reference of the 2013 Relative Value Tables was published in the *State Register* on July 29, 2013; it is also on page 11 of this publication. Rule amendments to implement the new RVU tables have been approved by an administrative law judge at the Office of Administrative Hearings and will be published in the *State Register* on Sept. 3, 2013. A link to the corresponding rule amendments is at www.dli.mn.gov/Pdf/docket/5219_5221_rules.pdf.

As required by M.S. § 176.136, subd. 1a, paragraph (g)(2), DLI has adjusted the conversion factors so that overall payment for services covered under both the old and new RVUs will be the same under both sets of RVUs.¹ As required by law, DLI has done this separately for each of the four categories of services listed below.

On average, the new RVUs are higher than the old RVUs for the medical/surgical, physical medicine/rehabilitation and chiropractic services categories; the new RVUs are lower than the old RVUs for pathology/laboratory services. Therefore, to achieve overall payment neutrality for each group, the new conversion factors are lower than the old conversion factors for the first three groups indicated and higher for pathology/laboratory services.²

¹For this calculation, DLI used a deidentified database of Minnesota workers' compensation medical services, charges and related data. The database was a 20-percent sample from the Minnesota Workers' Compensation Medical Data Call, provided to DLI by the Minnesota Workers' Compensation Insurers Association.

²In addition, the new conversion factors incorporate a correction for an error discovered in the old ones. The error resulted from a programming error made in 2010 when the RVUs were last updated. This error affected the set of services selected for the calculation for each group. The resulting conversion factor error was less than 1 percent for medical/surgical and physical medicine/rehabilitation services, and zero for chiropractic services. For pathology/laboratory services, the conversion factor was 14 percent lower than it should have been. These errors are corrected in the new conversion factors.

Statewide average weekly wage Effective Oct. 1 of the indicated year

	Statewide average weekly wage	Percent change from prior year
1999	\$615	6.22%
2000	\$642	4.39%
2001	\$680	5.92%
2002	\$702	3.24%
2003	\$718	2.28%
2004	\$740	3.06%
2005	\$774	4.59%
2006	\$782	1.03%
2007	\$808	3.32%
2008	\$850	5.20%
2009	\$878	3.29%
2010	\$868	-1.14%
2011	\$896	3.23%
2012	\$916	2.23%
2013	\$945	3.17%

2. Conversion factor annual adjustment: M.S. § 176.136, subd. 1a, paragraph (g)(1) provides for annual adjustment of the medical fee schedule conversion factors by no more than the percent change in the SAWW. As in previous years, DLI is adjusting the new conversion factors (computed as described above) by the percent change in the Producer Price Index for Offices of Physicians (PPI-P) between 2011 and 2012 (annual-average basis).³ This change is +1.2 percent.

A table showing the above adjustments to the conversion factors is on the Department of Labor and Industry website at www.dli.mn.gov/WC/Pdf/conversion_factors_0813.pdf. As a result of the adjustments, for services provided on or after Oct. 1, 2013, the new conversion factors will be:

- medical/surgical services in part 5221.4030\$64.69
- pathology/laboratory services in part 5221.4040\$55.68
- physical medicine/rehabilitation services in part 5221.4050\$48.88
- chiropractic services in part 5221.4060\$48.83

IME fee adjustments

Minnesota Rules, part 5219.0500, subp. 4, provides for adjustment of the maximum fees for independent medical examinations (IMEs) in the same manner as the adjustment of the conversion factor. Therefore, the maximum IME fees will increase by 1.2 percent for services provided on or after Oct. 1, 2013.

All of the above referenced documents are also online at www.dli.mn.gov/WC/HealthCareProv.asp.

³The PPI, produced by the U.S. Bureau of Labor Statistics, measures the average change over time in the selling prices received by producers for their output. The annual PPI-P and the associated annual changes (using industry code 62111 – offices of physicians) are available at www.bls.gov/ppi/data.htm.

New online process available for submission of dispute certification requests

The Department of Labor and Industry (DLI) has launched a new online process enabling attorneys to submit dispute certification requests electronically to the department. Dispute certification requests have been submitted to DLI since 1995, as a result of legislation requiring DLI to certify that certain medical and vocational rehabilitation issues are actually disputed before attorney fees are claimed.

According to the most recent *Minnesota Workers' Compensation System Report*, during 2011, DLI issued about 6,300 dispute certification decisions, an 85 percent increase since 1999. The report also indicates that during 2011, more than 2,100 medical and vocational rehabilitation claims were resolved during the dispute certification process.

Online submission of dispute certification requests is available exclusively to attorneys. It is intended to eliminate inherent delays and costs associated with attorneys' submission of paper dispute certification requests. However, use of this online filing process is optional; attorneys can continue to file dispute certification requests in conventional paper formats.

The online dispute certification process became available for use Aug. 2. All applicable statutes regarding dispute certification requests submitted in conventional paper formats apply to requests submitted electronically via DLI's website. Data submitted electronically will be accepted as received only during regular DLI business hours, 8 a.m. to 4:30 p.m. (Central Time), Monday through Friday, excluding holidays. Data received after 4:30 p.m. or on a Saturday, Sunday or state holiday will be electronically date-stamped for the next business day DLI is open.

The online process can be accessed online at <https://secure.doli.state.mn.us/dispute>.

Questions about the online dispute certification submission process may be directed DLI's Alternative Dispute Resolution unit by phone at (651) 284-5032 or 1-800-342-5354.

Additional information about the dispute certification process is available on the DLI website at www.dli.mn.gov/WC/DispRes.asp.

Compensation rates as of Oct. 1, 2013

Statewide average weekly wage (SAWW) = \$945
Percentage change in SAWW from previous year = 3.17%
(Apply Minnesota Statutes §176.645 adjustment as necessary based on date of injury.)

Maximum under M.S. §176.101 and 176.111	Minimum under M.S. §176.101, subd. 1(2)	Supplementary benefits under M.S. §176.132 (Minnesota Statutes 1994) and permanent total minimum under M.S. §176.101, subd. 4 (for injuries 10-1-95 and later)
100% of SAWW	50% of the SAWW or gross wage, whichever is less, but in no case less than 20% of the SAWW	
10-01-88\$391.00	10-01-88\$195.50 (gross wage - \$293.25)\$ 78.20	10-01-95..... \$328.25 (rounded to \$329)*
10-01-89\$413.00	10-01-89\$206.50 (gross wage - \$309.75)\$ 82.60	10-01-96\$340.60 (rounded to \$341)*
10-01-90\$428.00	10-01-90\$214.00 (gross wage - \$321.00)\$ 85.60	10-01-97\$359.45 (rounded to \$360)*
10-01-91\$443.00	10-01-91\$221.50 (gross wage - \$332.25)\$ 88.60	10-01-98\$376.35 (rounded to \$377)*
105% of SAWW	20% of the SAWW or the employee's actual weekly wage, whichever is less	10-01-99\$399.75 (rounded to \$400)*
10-01-92\$481.95	10-01-92\$91.80	10-01-00\$417.30 (rounded to \$418)*
10-01-93\$508.20	10-01-93\$96.80	10-01-01\$442.00 (round)
10-01-94\$516.60	10-01-94\$98.40	10-01-02\$456.30 (rounded to \$457)*
Set by statute	Set by statute, the listed amount or the employee's actual weekly wage, whichever is less	10-01-03\$466.70 (rounded to \$467)*
10-01-95\$615.00	10-01-95\$104.00	10-01-04\$481.00 (round)
10-01-00\$750.00	10-01-00\$130.00	10-01-05\$503.10 (rounded to \$504)*
10-01-08\$850.00		10-01-06\$508.30 (rounded to \$509)*
102% of SAWW		10-01-07\$525.20 (rounded to \$526)*
10-01-13\$963.90		10-01-08\$552.50 (rounded to \$553)
		10-01-09\$570.70 (rounded to \$571)*
		10-01-10\$564.20 (rounded to \$565)*
		10-01-11\$582.40 (rounded to \$583)*
		10-01-12\$595.40 (rounded to \$596)*
		10-01-13\$614.25 (rounded to \$615)*

*Rounding applies to supplementary benefits.

New benefit and provider fee levels effective October 2012

By Brian Zaidman, Research Analyst, Research and Statistics, and Kate Berger, General Counsel

The statewide average weekly wage (SAWW) effective Oct. 1, 2012, is \$916, a 2.23 percent increase from the current SAWW of \$896, which has been in effect since Oct. 1, 2011. [See the table on this page.] The levels for minimum and maximum weekly benefit payments are presented in the table on page 3. The statewide annual average wage will change to \$47,616 on Jan. 1, 2013.

The new SAWW is based on 2011 payroll and employment figures supplied by the Department of Employment and Economic Development and the calculation procedure in Minnesota Statutes § 176.011, subd. 1b. The change in the SAWW is the basis for the M.S. § 176.645 annual benefit adjustment. The time of the first adjustment is limited by M.S. § 176.645, subd. 2.

Pursuant to Minnesota Rules 5220.1900, subp. 1b, the maximum qualified rehabilitation consultant (QRC) hourly fee will increase by 2 percent, to \$96.57 Oct. 1, 2012. The maximum hourly rate for rehabilitation job development and placement services, whether provided by rehabilitation vendors or by QRC firms, will increase to \$73.31 on Oct. 1, 2012.

Pursuant to M.S. § 176.136, subd. 1a, which provides for annual adjustments of the medical fee schedule conversion factor by no more than the change in the statewide average weekly wage, the conversion factors will be increased by 1.5 percent, which is the percent change in the producer price index for offices of physicians (PPI-P) developed by the U.S. Department of Labor, Bureau of Labor Statistics.

Statewide average weekly wage
Effective Oct. 1 of the indicated year

	Statewide average weekly wage	
1999	\$615	6.22%
2000	\$642	4.39%
2001	\$680	5.92%
2002	\$702	3.24%
2003	\$718	2.28%
2004	\$740	3.06%
2005	\$774	4.59%
2006	\$782	1.03%
2007	\$808	3.32%
2008	\$850	5.20%
2009	\$878	3.29%
2010	\$868	-1.14%
2011	\$896	3.23%
2012	\$916	2.23%

Effective Oct. 1, 2012, as approved by an administrative law judge at the Office of Administrative Hearings, the new conversion factors will be:

- medical/surgical services in part 5221.4030.....\$69.87
- pathology/laboratory services in part 5221.4040\$41.16
- physical medicine/rehabilitation services in part 5221.4050.....\$54.41
- chiropractic services in part 5221.4060.....\$55.58

Minnesota Rules, part 5219.0500, subp. 4, provides for adjustment of the maximum fees for independent medical examinations in the same manner as the adjustment of the conversion factor. Therefore, the maximum independent medical examination fees will be increased by 1.5 percent for services provided on or after Oct. 1, 2012.

An official notice of the medical fee schedule conversion factors and independent medical examination fees as approved by the administrative law judge will be published in the *State Register* in September.

Compensation rates as of Oct. 1, 2012

Statewide average weekly wage (SAWW) = \$916 Percentage change in SAWW from previous year = 2.23% (Apply Minn. Stat. §176.645 adjustment as necessary based on date of injury.)

Maximum under M.S. §§176.101 and 176.111

<i>100% of SAWW</i>	
10-01-88	\$391.00
10-01-89	\$413.00
10-01-90	\$428.00
10-01-91	\$443.00
<i>105% of SAWW</i>	
10-01-92	\$481.95
10-01-93	\$508.20
10-01-94	\$516.60
<i>Set by statute</i>	
10-01-95	\$615.00
10-01-00	\$750.00
10-01-08	\$850.00

Minimum under M.S. §176.101, subd. 1(2)

<i>50% of the SAWW or gross wage, whichever is less, but in no case less than 20% of the SAWW</i>			
<table border="0" style="width: 100%;"> <tr> <td style="width: 50%; text-align: center;">50%</td> <td style="width: 50%; text-align: center;">20%</td> </tr> </table>		50%	20%
50%	20%		
10-01-88	\$195.50 (gross wage – \$293.25) .. \$ 78.20		
10-01-89	\$206.50 (gross wage – \$309.75) .. \$ 82.60		
10-01-90	\$214.00 (gross wage – \$321.00) .. \$ 85.60		
10-01-91	\$221.50 (gross wage – \$332.25) .. \$ 88.60		
<i>20% of the SAWW or the employee's actual weekly wage, whichever is less</i>			
10-01-92	\$91.80		
10-01-93	\$96.80		
10-01-94	\$98.40		
<i>Set by statute, the listed amount or the employee's actual weekly wage, whichever is less</i>			
10-01-95	\$104.00		
10-01-00	\$130.00		

Supplementary benefits under M.S. §176.132

(Minnesota Statutes 1994)

and permanent total minimum under M.S. §176.101, subd. 4 (for injuries 10-1-95 and later)

10-01-94	\$319.80	(rounded to \$320)
10-01-95	\$328.25	(rounded to \$329)*
10-01-96	\$340.60	(rounded to \$341)*
10-01-97	\$359.45	(rounded to \$360)*
10-01-98	\$376.35	(rounded to \$377)*
10-01-99	\$399.75	(rounded to \$400)*
10-01-00	\$417.30	(rounded to \$418)*
10-01-01	\$442.00	(round)
10-01-02	\$456.30	(rounded to \$457)*
10-01-03	\$466.70	(rounded to \$467)*
10-01-04	\$481.00	(round)
10-01-05	\$503.10	(rounded to \$504)*
10-01-06	\$508.30	(rounded to \$509)*
10-01-07	\$525.20	(rounded to \$526)*
10-01-08	\$552.50	(rounded to \$553)
10-01-09	\$570.70	(rounded to \$571)*
10-01-10	\$564.20	(rounded to \$565)*
10-01-11	\$582.40	(rounded to \$583)*
10-01-12	\$595.40	(rounded to \$596)*

*Rounding applies to supplementary benefits.

New benefit and provider fee levels effective October 2011

By Brian Zaidman, Research Analyst, Research and Statistics, and Kate Berger, General Counsel

The statewide average weekly wage (SAWW) effective Oct. 1, 2011, is \$896, a 3.23 percent increase from the current SAWW of \$868, which has been in effect since Oct. 1, 2010. [See the table on this page.] The levels for minimum and maximum weekly benefit payments are presented in the table on page 7. The statewide annual average wage will change to \$46,572 on Jan. 1, 2012.

The new SAWW is based on 2010 payroll and employment figures supplied by the Department of Employment and Economic Development and the calculation procedure in Minnesota Statutes § 176.011, subd. 1b. The change in the SAWW is the basis for the M.S. § 176.645 annual benefit adjustment. The time of the first adjustment is limited by M.S. § 176.645, subd. 2.

Pursuant to Minnesota Rules 5220.1900, subp. 1b, the maximum qualified rehabilitation consultant (QRC) hourly fee will increase by 2 percent, to \$94.68, Oct. 1, 2011. The maximum hourly rate for rehabilitation job development and placement services, whether provided by rehabilitation vendors or by QRC firms, will increase to \$71.87 on Oct. 1, 2011.

Pursuant to M.S. § 176.136, subd. 1a, which provides for annual adjustments of the medical fee schedule conversion factor by no more than the change in the statewide average weekly wage, the conversion factors will be increased by 2.4 percent, which is the percent change in the producer price index for offices of physicians (PPI-P) developed by the U.S. Department of Labor, Bureau of Labor Statistics.

**Statewide average weekly wage
Effective Oct. 1 of the indicated year**

	Statewide average weekly wage	
1998	\$579	4.70%
1999	\$615	6.22%
2000	\$642	4.39%
2001	\$680	5.92%
2002	\$702	3.24%
2003	\$718	2.28%
2004	\$740	3.06%
2005	\$774	4.59%
2006	\$782	1.03%
2007	\$808	3.32%
2008	\$850	5.20%
2009	\$878	3.29%
2010	\$868	-1.14%
2011	\$896	3.23%

Effective Oct. 1, 2011, the new conversion factors will be:

- medical/surgical services in part 5221.4030.....\$68.84
- pathology/laboratory services in part 5221.4040\$40.55
- physical medicine/rehabilitation services in part 5221.4050.....\$53.61
- chiropractic services in part 5221.4060.....\$54.76

Minnesota Rules, part 5219.0500, subp. 4, provides for adjustment of the maximum fees for independent medical examinations in the same manner as the adjustment of the conversion factor. Therefore, the maximum independent medical examination fees will be increased by 2.4 percent for services provided on or after Oct. 1, 2011.

An official notice of the medical fee schedule conversion factors and independent medical examination fees as approved by the administrative law judge will be published in the *State Register* in September.

Compensation rates as of Oct. 1, 2011

Statewide average weekly wage (SAWW) = \$896

Percentage change in SAWW from previous year = 3.23%
(Apply Minn. Stat. § 176.645 adjustment as necessary based on date of injury.)

Maximum under M.S. 176.101 and 176.111

<i>100% of SAWW</i>	
10-01-86	\$360.00
10-01-87	\$376.00
10-01-88	\$391.00
10-01-89	\$413.00
10-01-90	\$428.00
10-01-91	\$443.00

105% of SAWW

10-01-92	\$481.95
10-01-93	\$508.20
10-01-94	\$516.60

Set by statute

10-01-95	\$615.00
10-01-00	\$750.00
10-01-08	\$850.00

Minimum under M.S. 176.101, subd. 1(2)

50% of the SAWW or gross wage, whichever is less, but in no case less than 20% of the SAWW

	<u>50%</u>	<u>20%</u>
10-01-86	\$180.00 (gross wage – \$270.00) ..	\$ 72.00
10-01-87	\$188.00 (gross wage – \$282.00) ..	\$ 75.20
10-01-88	\$195.50 (gross wage – \$293.25) ..	\$ 78.20
10-01-89	\$206.50 (gross wage – \$309.75) ..	\$ 82.60
10-01-90	\$214.00 (gross wage – \$321.00) ..	\$ 85.60
10-01-91	\$221.50 (gross wage – \$332.25) ..	\$ 88.60

20% of the SAWW or the employee's actual weekly wage, whichever is less

10-01-92	\$91.80
10-01-93	\$96.80
10-01-94	\$98.40

Set by statute, the listed amount or the employee's actual weekly wage, whichever is less

10-01-95	\$104.00
10-01-00	\$130.00

Supplementary benefits under M.S. 176.132

(Minnesota Statutes 1994)

and permanent total minimum under M.S. 176.101, subd. 4 (for injuries 10-1-95 and later)

10-01-93	\$314.60	(rounded to \$315)
10-01-94	\$319.80	(rounded to \$320)
10-01-95	\$328.25	(rounded to \$329)*
10-01-96	\$340.60	(rounded to \$341)*
10-01-97	\$359.45	(rounded to \$360)*
10-01-98	\$376.35	(rounded to \$377)*
10-01-99	\$399.75	(rounded to \$400)*
10-01-00	\$417.30	(rounded to \$418)*
10-01-01	\$442.00	(round)
10-01-02	\$456.30	(rounded to \$457)*
10-01-03	\$466.70	(rounded to \$467)*
10-01-04	\$481.00	(round)
10-01-05	\$503.10	(rounded to \$504)*
10-01-06	\$508.30	(rounded to \$509)*
10-01-07	\$525.20	(rounded to \$526)*
10-01-08	\$552.50	(rounded to \$553)
10-01-09	\$570.70	(rounded to \$571)*
10-01-10	\$564.20	(rounded to \$565)*
10-01-11	\$582.40	(rounded to \$583)*

*Rounding applies to supplementary benefits.

New benefit and provider fee levels effective October 2010

By Brian Zaidman, Research Analyst, Policy Development, Research and Statistics,
and Kate Berger, General Counsel

The statewide average weekly wage (SAWW) effective Oct. 1, 2010, is \$868, a 1.14 percent decrease from the current SAWW of \$878, which has been in effect since Oct. 1, 2009. [See the table on this page.] The levels for minimum and maximum weekly benefit payments are presented in the table on page 5. The statewide annual average wage will change to \$45,095 on Jan. 1, 2011.

The new SAWW is based on 2009 payroll and employment figures supplied by the Department of Employment and Economic Development and the calculation procedure in M.S. § 176.011, subd. 1b. The change in the SAWW is the basis for the M.S. § 176.645 annual benefit adjustment. The time of the first adjustment is limited by M.S. § 176.645, subd. 2.

Pursuant to Minn. R. 5220.1900, subp. 1b, the maximum qualified rehabilitation consultant (QRC) hourly fee will remain the same, at \$92.82, as of Oct. 1, 2010. The maximum hourly rate for rehabilitation job development and placement services, whether provided by rehabilitation vendors or by QRC firms, will also remain the same, at \$70.46.

This year there are two adjustments to the workers' compensation medical fee schedule conversion factors:

1. Conversion factor adjustment based on updated relative value units (RVUs) and rules

– The fee schedule in effect until Oct. 1, 2010, used 1998 Medicare RVUs. Pursuant to M.S. § 176.136, subd. 1a, paragraph (h), the Department of Labor and Industry (DLI) is updating the workers' compensation medical fee schedule by incorporating by reference the 2009 Medicare RVUs. The Notice of Incorporation by Reference of Relative Value Tables was published in the *State Register* on July 26, 2010. The rules to implement the relative value tables will be published in the *State Register* on Aug. 16, 2010. As required by M.S. § 176.136, subd. 1a, paragraph g (2), DLI has adjusted the conversion factors so that overall payment for services covered under both the old and new RVUs will be the same under both sets of RVUs¹. As required by this law, DLI has done this separately for each of the four categories of service listed below. Since the 2009 Medicare RVUs are generally higher than the 1998 RVUs for all four categories of service, the conversion factors have been reduced for all four categories to maintain the same overall payment for services covered by both sets of RVUs.

2. Conversion factor annual adjustment

– Pursuant to M.S. § 176.136, subd. 1a, paragraph g (1), which provides for annual adjustment of the medical fee schedule conversion factors by no more

Statewide average weekly wage Effective Oct. 1 of the indicated year

	Statewide average weekly wage	
1997	\$553	5.53%
1998	\$579	4.70%
1999	\$615	6.22%
2000	\$642	4.39%
2001	\$680	5.92%
2002	\$702	3.24%
2003	\$718	2.28%
2004	\$740	3.06%
2005	\$774	4.59%
2006	\$782	1.03%
2007	\$808	3.32%
2008	\$850	5.20%
2009	\$878	3.29%
2010	\$868	-1.14%

¹DLI used a database from a large insurer for this calculation.

New benefit and provider fee, continued ...

than the percent change in the SAWW, the conversion factors for the new fee schedule as described above are being decreased by 1.14 percent.

As a result of both adjustments, subject to approval by an administrative law judge at the Office of Administrative Hearings, effective Oct. 1, 2010, the new conversion factors will be:

- medical/surgical services in part 5221.4030.....\$67.23
- pathology/laboratory services in part 5221.4040\$39.60
- physical medicine/rehabilitation services in part 5221.4050.....\$52.35
- chiropractic services in part 5221.4060.....\$53.48

Additional background about the fee schedule and tables showing changes to the RVUs and conversion factors are online at www.dli.mn.gov/WC/HealthCareProv.asp.

Minnesota Rules, part 5219.0500, subp. 4, provides for adjustment of the maximum fees for independent medical examinations in the same manner as the adjustment of the conversion factor. Therefore, the maximum independent medical examination fees will decrease by 1.14 percent for services provided on or after Oct. 1, 2010, subject to approval by an administrative law judge.

An official notice of the medical fee schedule conversion factors and independent medical examination fees as approved by the administrative law judge will be published in the *State Register* in September.

Compensation rates as of Oct. 1, 2010

Statewide average weekly wage (SAWW) = \$868
Percentage change in SAWW from previous year = -1.14%
(Apply M.S. §176.645 adjustment as necessary based on date of injury.)

Maximum under M.S. 176.101 and 176.111

<i>100% of SAWW</i>	
10-01-86	\$360.00
10-01-87	\$376.00
10-01-88	\$391.00
10-01-89	\$413.00
10-01-90	\$428.00
10-01-91	\$443.00
<i>105% of SAWW</i>	
10-01-92	\$481.95
10-01-93	\$508.20
10-01-94	\$516.60
<i>Set by Statute</i>	
10-01-95	\$615.00
10-01-00	\$750.00
10-01-08	\$850.00

Minimum under M.S. 176.101, subd. 1(2)

<i>50% of the SAWW or gross wage, whichever is less, but in no case less than 20% of the SAWW</i>	
<i>50%</i>	<i>20%</i>
10-01-86	\$180.00 (gross wage - \$270.00) ... \$ 72.00
10-01-87	\$188.00 (gross wage - \$282.00) ... \$ 75.20
10-01-88	\$195.50 (gross wage - \$293.25) ... \$ 78.20
10-01-89	\$206.50 (gross wage - \$309.75) ... \$ 82.60
10-01-90	\$214.00 (gross wage - \$321.00) ... \$ 85.60
10-01-91	\$221.50 (gross wage - \$332.25) ... \$ 88.60
<i>20% of the SAWW or the employee's actual weekly wage, whichever is less</i>	
10-01-92	\$91.80
10-01-93	\$96.80
10-01-94	\$98.40
<i>Set by statute, the listed amount or the employee's actual weekly wage, whichever is less</i>	
10-01-95	\$104.00
10-01-00	\$130.00

Supplementary benefits under M.S. 176.132 (Minnesota Statutes 1994) and permanent total minimum under M.S. 176.101, subd. 4 (for injuries 10-1-95 and later)

10-01-92	\$298.35	(rounded to \$299)
10-01-93	\$314.60	(rounded to \$315)
10-01-94	\$319.80	(rounded to \$320)
10-01-95	\$328.25	(rounded to \$329)*
10-01-96	\$340.60	(rounded to \$341)*
10-01-97	\$359.45	(rounded to \$360)*
10-01-98	\$376.35	(rounded to \$377)*
10-01-99	\$399.75	(rounded to \$400)*
10-01-00	\$417.30	(rounded to \$418)*
10-01-01	\$442.00	(round)
10-01-02	\$456.30	(rounded to \$457)*
10-01-03	\$466.70	(rounded to \$467)*
10-01-04	\$481.00	(round)
10-01-05	\$503.10	(rounded to \$504)*
10-01-06	\$508.30	(rounded to \$509)*
10-01-07	\$525.20	(rounded to \$526)*
10-01-08	\$552.50	(rounded to \$553)
10-01-09	\$570.70	(rounded to \$571)*
10-01-10	\$564.20	(rounded to \$565)*

*Rounding applies to supplementary benefits.

New benefit and provider fee levels effective October 2009

By Brian Zaidman, Research Analyst, Policy Development, Research and Statistics,
and Kate Berger, General Counsel

The statewide average weekly wage (SAWW) effective Oct. 1, 2009, is \$878, a 3.29 percent increase over the current SAWW of \$850, which has been in effect since Oct. 1, 2008. [See the table on this page.] The levels for minimum and maximum weekly benefit payments are presented in the table on the page 8. The statewide annual average wage will change to \$45,618 on Jan. 1, 2010.

The new SAWW is based on 2008 payroll and employment figures supplied by the Department of Employment and Economic Development and the calculation procedure in Minnesota Statutes § 176.011, subd. 20. The increase in the SAWW is the basis for the M.S. § 176.645 annual benefit increases.

Only injured workers meeting the eligibility requirements of M.S. § 176.645 will receive adjusted benefits. Benefit increases for workers injured prior to Oct. 1, 1992, are limited to 6 percent. Benefit increases for workers injured between Oct. 1, 1992, and Sept. 30, 1995, are limited to 4 percent. For workers injured on or after Oct. 1, 1995, the initial annual adjustment is made on the fourth anniversary of the date of injury and is limited to 2 percent.

For injuries and illnesses occurring on or after Oct. 1, 2008, the maximum weekly benefit is \$850 and the maximum duration of temporary total disability benefits is 130 weeks. The minimum weekly benefit level for temporary total disability benefits is \$130.

Pursuant to Minnesota Rules 5220.1900, subp. 2b, the maximum qualified rehabilitation consultant (QRC) hourly fee will increase by 2 percent, to \$92.82, Oct. 1, 2009. The maximum hourly rate for rehabilitation job development and placement services, whether provided by rehabilitation vendors or by QRC firms, will increase by 2 percent to \$70.46.

Pursuant to M.S. § 176.136, subd. 1a, which provides for annual adjustments of the medical fee schedule conversion factor by no more than the change in the statewide average weekly wage, the conversion factors will be increased by 1.1 percent, which is the percent change in the producer price index for offices of physicians (PPI-P) developed by the U.S. Department of Labor, Bureau of Labor Statistics.

Subject to the approval of an administrative law judge at the Office of Administrative Hearings, effective Oct. 1, 2009, the new conversion factors will be:

- medical/surgical services in part 5221.4030 \$81.63
- pathology/laboratory services in part 5221.4040 \$68.17
- physical medicine/rehabilitation services in part 5221.4050 \$70.77
- chiropractic services in part 5221.4060 \$58.78

Minnesota Rules, part 5219.0500, subp. 4, provides for adjustment of the maximum fees for independent medical examinations in the same manner as the adjustment of the conversion factor. Therefore, the maximum independent medical examination fees will be increased by 1.1 percent for services provided on or after Oct. 1, 2009, subject to approval by an administrative law judge.

An official notice of the medical fee schedule conversion factors and independent medical examination fees as approved by the administrative law judge will be published in the *State Register* in September.

Statewide average weekly wage Effective Oct. 1 of the indicated year

Year	Statewide average weekly wage	Percentage change from previous year
1996	\$524	3.76%
1997	\$553	5.53%
1998	\$579	4.70%
1999	\$615	6.22%
2000	\$642	4.39%
2001	\$680	5.92%
2002	\$702	3.24%
2003	\$718	2.28%
2004	\$740	3.06%
2005	\$774	4.59%
2006	\$782	1.03%
2007	\$808	3.32%
2008	\$850	5.20%
2009	\$878	3.29%

Compensation rates as of Oct. 1, 2009

Statewide average weekly wage (SAWW) = \$878

Percentage change in SAWW from previous year = 3.29%

(Apply Minnesota Statutes §176.645 adjustment as necessary based on date of injury.)

Maximum under M.S. 176.101 and 176.111

<i>100% of SAWW</i>	
10-01-80	\$244.00
10-01-81	\$267.00
10-01-82	\$290.00
10-01-83	\$313.00
10-01-84	\$329.00
10-01-85	\$342.00
10-01-86	\$360.00
10-01-87	\$376.00
10-01-88	\$391.00
10-01-89	\$413.00
10-01-90	\$428.00
10-01-91	\$443.00

105% of SAWW

10-01-92	\$481.95
10-01-93	\$508.20
10-01-94	\$516.60

Set by Statute

10-01-95	\$615.00
10-01-00	\$750.00
10-01-08	\$850.00

Minimum under M.S. 176.101, subd. 1(2)

50% of the SAWW or gross wage, whichever is less, but in no case less than 20% of the SAWW

<i>50%</i>	<i>20%</i>
10-01-80	\$122.00 (gross wage - \$183.00) ... \$ 48.80
10-01-81	\$133.50 (gross wage - \$200.25) ... \$ 53.40
10-01-82	\$145.00 (gross wage - \$217.50) ... \$ 58.00
10-01-83	\$156.50 (gross wage - \$234.75) ... \$ 62.60
10-01-84	\$164.50 (gross wage - \$246.75) ... \$ 65.80
10-01-85	\$171.00 (gross wage - \$256.50) ... \$ 68.40
10-01-86	\$180.00 (gross wage - \$270.00) ... \$ 72.00
10-01-87	\$188.00 (gross wage - \$282.00) ... \$ 75.20
10-01-88	\$195.50 (gross wage - \$293.25) ... \$ 78.20
10-01-89	\$206.50 (gross wage - \$309.75) ... \$ 82.60
10-01-90	\$214.00 (gross wage - \$321.00) ... \$ 85.60
10-01-91	\$221.50 (gross wage - \$332.25) ... \$ 88.60

20% of the SAWW or the employee's actual weekly wage, whichever is less

10-01-92	\$91.80
10-01-93	\$96.80
10-01-94	\$98.40

Set by statute, the listed amount or the employee's actual weekly wage, whichever is less

10-01-95	\$104.00
10-01-00	\$130.00

Supplementary benefits under M.S. 176.132 (Minnesota Statutes 1994)

**and permanent total minimum under
M.S. 176.101, subd. 4
(for injuries 10-1-95 and later)**

10-01-91	\$287.95	(rounded to \$288)
10-01-92	\$298.35	(rounded to \$299)
10-01-93	\$314.60	(rounded to \$315)
10-01-94	\$319.80	(rounded to \$320)
10-01-95	\$328.25	(rounded to \$329)*
10-01-96	\$340.60	(rounded to \$341)*
10-01-97	\$359.45	(rounded to \$360)*
10-01-98	\$376.35	(rounded to \$377)*
10-01-99	\$399.75	(rounded to \$400)*
10-01-00	\$417.30	(rounded to \$418)*
10-01-01	\$442.00	(round)
10-01-02	\$456.30	(rounded to \$457)*
10-01-03	\$466.70	(rounded to \$467)*
10-01-04	\$481.00	(round)
10-01-05	\$503.10	(rounded to \$504)*
10-01-06	\$508.30	(rounded to \$509)*
10-01-07	\$525.20	(rounded to \$526)*
10-01-08	\$552.50	(rounded to \$553)
10-01-09	\$570.70	(rounded to \$571)*

*Rounding applies to supplementary benefits.

New benefit and provider fee levels effective October 2008

By Brian Zaidman, Research Analyst, Policy Development, Research and Statistics,
and Kate Berger, Legal Services

The statewide average weekly wage (SAWW) effective Oct. 1, 2008, is \$850, a 5.2 percent increase over the current SAWW of \$808, which has been in effect since Oct. 1, 2007. [See the table on this page.] The levels for minimum and maximum weekly benefit payments are presented in the table on the page 4. The statewide annual average wage will change to \$44,154 on Jan. 1, 2009.

The new SAWW is based on 2007 payroll and employment figures supplied by the Department of Employment and Economic Development and the calculation procedure in Minnesota Statutes §176.011, subd. 20. The increase in the SAWW is the basis for the M.S. §176.645 annual benefit increases.

Only injured workers meeting the eligibility requirements of M.S. §176.645 will receive adjusted benefits. Benefit increases for workers injured prior to Oct. 1, 1992, are limited to 6 percent. Benefit increases for workers injured between Oct. 1, 1992, and Sept. 30, 1995, are limited to 4 percent. For workers injured on or after Oct. 1, 1995, the initial annual adjustment is made on the fourth anniversary of the date of injury and is limited to 2 percent.

For injuries and illnesses occurring on or after Oct. 1, 2008, the maximum weekly benefit is \$850 and the maximum duration of temporary total disability benefits is 130 weeks. There is no change to the minimum weekly benefit level.

On Oct. 1, 2008, the maximum qualified rehabilitation consultant (QRC) hourly fee will increase to \$91 and the maximum hourly rate for QRC interns is \$81. The maximum hourly rate for rehabilitation job development and placement services, whether provided by rehabilitation vendors or by QRC firms, is limited to the 2-percent maximum increase (Minnesota Rules 5220.1900 subp. 1e) and will increase to \$69.08.

Statewide average weekly wage Effective Oct. 1 of the indicated year

Year	Statewide average weekly wage	Percentage change from previous year
1995	\$505	2.64%
1996	\$524	3.76%
1997	\$553	5.53%
1998	\$579	4.70%
1999	\$615	6.22%
2000	\$642	4.39%
2001	\$680	5.92%
2002	\$702	3.24%
2003	\$718	2.28%
2004	\$740	3.06%
2005	\$774	4.59%
2006	\$782	1.03%
2007	\$808	3.32%
2008	\$850	5.20%

Pursuant to M.S. §176.136, subd. 1a, which provides for annual adjustments of the medical fee schedule conversion factor by no more than the change in the statewide average weekly wage, the commissioner is adjusting the 2006 conversion factors by 4.1 percent, which is the percent change in the producer price index for offices of physicians (PPI-P) developed by the U.S. Department of Labor, Bureau of Labor Statistics.

Subject to the approval of an administrative law judge at the Office of Administrative Hearings, effective Oct. 1, 2008, the new conversion factors will be:

- medical/surgical services in part 5221.4030 \$80.74
- pathology/laboratory services in part 5221.4040 \$67.43
- physical medicine/rehabilitation services in part 5221.4050 \$70.00
- chiropractic services in part 5221.4060 \$58.14

Minnesota Rules, part 5219.0500, subp. 4, provides for adjustment of the maximum fees for independent medical examinations in the same manner as the adjustment of the conversion factor. Therefore, the independent medical examination fees will be increased by 4.1 percent for services provided on or after Oct. 1, 2008, subject to approval by an administrative law judge.

An official notice of the medical fee schedule conversion factors and independent medical examination fees as approved by the administrative law judge will be published in the *State Register* in September.

Compensation rates as of Oct. 1, 2008

Statewide average weekly wage (SAWW) = \$850

Percentage change in SAWW from previous year = 5.2%

(Apply Minnesota Statutes §176.645 adjustment as necessary based on date of injury.)

Maximum under M.S. 176.101 and 176.111

<i>100% of SAWW</i>	
10-01-80	\$244.00
10-01-81	\$267.00
10-01-82	\$290.00
10-01-83	\$313.00
10-01-84	\$329.00
10-01-85	\$342.00
10-01-86	\$360.00
10-01-87	\$376.00
10-01-88	\$391.00
10-01-89	\$413.00
10-01-90	\$428.00
10-01-91	\$443.00

105% of SAWW

10-01-92	\$481.95
10-01-93	\$508.20
10-01-94	\$516.60

Set by Statute

10-01-95	\$615.00
10-01-00	\$750.00
10-01-08	\$850.00

Minimum under M.S. 176.101, subd. 1(2)

50% of the SAWW or gross wage, whichever is less, but in no case less than 20% of the SAWW

	<u>50%</u>	<u>20%</u>
10-01-80	\$122.00 (gross wage - \$183.00)...	\$ 48.80
10-01-81	\$133.50 (gross wage - \$200.25)...	\$ 53.40
10-01-82	\$145.00 (gross wage - \$217.50)...	\$ 58.00
10-01-83	\$156.50 (gross wage - \$234.75)...	\$ 62.60
10-01-84	\$164.50 (gross wage - \$246.75)...	\$ 65.80
10-01-85	\$171.00 (gross wage - \$256.50)...	\$ 68.40
10-01-86	\$180.00 (gross wage - \$270.00)...	\$ 72.00
10-01-87	\$188.00 (gross wage - \$282.00)...	\$ 75.20
10-01-88	\$195.50 (gross wage - \$293.25)...	\$ 78.20
10-01-89	\$206.50 (gross wage - \$309.75)...	\$ 82.60
10-01-90	\$214.00 (gross wage - \$321.00)...	\$ 85.60
10-01-91	\$221.50 (gross wage - \$332.25)...	\$ 88.60

20% of the SAWW or the employee's actual weekly wage, whichever is less

10-01-92	\$91.80
10-01-93	\$96.80
10-01-94	\$98.40

Set by statute, the listed amount or the employee's actual weekly wage, whichever is less

10-01-95	\$104.00
10-01-00	\$130.00

Supplementary benefits under M.S. 176.132 (Minnesota Statutes 1994)

**and permanent total minimum under
M.S. 176.101, subd. 4
(for injuries 10-1-95 and later)**

10-01-90	\$278.20	(rounded to \$279)
10-01-91	\$287.95	(rounded to \$288)
10-01-92	\$298.35	(rounded to \$299)
10-01-93	\$314.60	(rounded to \$315)
10-01-94	\$319.80	(rounded to \$320)
10-01-95	\$328.25	(rounded to \$329)*
10-01-96	\$340.60	(rounded to \$341)*
10-01-97	\$359.45	(rounded to \$360)*
10-01-98	\$376.35	(rounded to \$377)*
10-01-99	\$399.75	(rounded to \$400)*
10-01-00	\$417.30	(rounded to \$418)*
10-01-01	\$442.00	(round)
10-01-02	\$456.30	(rounded to \$457)*
10-01-03	\$466.70	(rounded to \$467)*
10-01-04	\$481.00	(round)
10-01-05	\$503.10	(rounded to \$504)*
10-01-06	\$508.30	(rounded to \$509)*
10-01-07	\$525.20	(rounded to \$526)*
10-01-08	\$552.50	(rounded to \$553)*

*Rounding applies to supplementary benefits.

New benefit and provider fee levels effective October 2007

By Brian Zaidman, Research Analyst, Research and Statistics, and Kate Berger, Legal Services

The statewide average weekly wage (SAWW) effective Oct. 1, 2007, is \$808, a 3.32 percent increase over the current SAWW of \$782, which has been in effect since Oct. 1, 2006. [See the table on this page.] The levels for minimum and maximum weekly benefit payments are presented in the table on the page 4. The statewide annual average wage will change to \$41,996 on Jan. 1, 2008.

The new SAWW is based on 2006 payroll and employment figures supplied by the Department of Employment and Economic Development and the calculation procedure in Minnesota Statutes §176.011, subd. 20. The increase in the SAWW is the basis for the M.S. §176.645 annual benefit increases.

Only injured workers meeting the eligibility requirements of M.S. §176.645 will receive adjusted benefits. Benefit increases for workers injured prior to Oct. 1, 1992, are limited to 6 percent. Benefit increases for workers injured between Oct. 1, 1992, and Sept. 30, 1995, are limited to 4 percent. For workers injured on or after Oct. 1, 1995, the initial annual adjustment is made on the fourth anniversary of the date of injury and is limited to 2 percent.

The vocational rehabilitation annual adjustment of hourly fees is limited to the 2 percent maximum increase (Minnesota Rules 5220.1900 subp. 1b, 1c and 1e.) On Oct. 1, 2007, the maximum qualified rehabilitation consultant (QRC) hourly fee will increase to \$88.06 and the maximum hourly rate for rehabilitation job development and placement services will increase to \$67.73.

Statewide average weekly wage Effective Oct. 1 of the indicated year

Year	Statewide average weekly wage	Percentage change from previous year
1994	\$492	1.65%
1995	\$505	2.64%
1996	\$524	3.76%
1997	\$553	5.53%
1998	\$579	4.70%
1999	\$615	6.22%
2000	\$642	4.39%
2001	\$680	5.92%
2002	\$702	3.24%
2003	\$718	2.28%
2004	\$740	3.06%
2005	\$774	4.59%
2006	\$782	1.03%
2007	\$808	3.32%

Pursuant to M.S. §176.136, subd. 1a, which provides for annual adjustments of the medical fee schedule conversion factor by no more than the change in the statewide average weekly wage, the commissioner is adjusting the 2006 conversion factors by 0.9 percent, which is the percent change in the producer price index for offices of physicians (PPI-P) developed by the U.S. Department of Labor, Bureau of Labor Statistics.

Subject to the approval of an administrative law judge at the Office of Administrative Hearings, effective Oct. 1, 2007, the new conversion factors will be:

- medical/surgical services in part 5221.4030\$77.56
- pathology/laboratory services in part 5221.4040\$64.77
- physical medicine/rehabilitation services in part 5221.4050\$67.24
- chiropractic services in part 5221.4060.....\$55.85

Minnesota Rules, part 5219.0500, subp. 4, provides for adjustment of the maximum fees for independent medical examinations in the same manner as the adjustment of the conversion factor. Therefore, the independent medical examination fees will be increased by 0.9 percent for services provided on or after Oct. 1, 2007, subject to approval by an administrative law judge.

An official notice of the medical fee schedule conversion factors and independent medical examination fees as approved by the administrative law judge will be published in the *State Register* in September.

Compensation rates as of Oct. 1, 2007

Statewide average weekly wage (SAWW) = \$808
Percentage change in SAWW from previous year = 3.32%
(Apply Minnesota Statutes §176.645 adjustment as necessary based on date of injury.)

Maximum under M.S. 176.101 and 176.111

<i>100% of SAWW</i>	
10-01-80	\$244.00
10-01-81	\$267.00
10-01-82	\$290.00
10-01-83	\$313.00
10-01-84	\$329.00
10-01-85	\$342.00
10-01-86	\$360.00
10-01-87	\$376.00
10-01-88	\$391.00
10-01-89	\$413.00
10-01-90	\$428.00
10-01-91	\$443.00

105% of SAWW

10-01-92	\$481.95
10-01-93	\$508.20
10-01-94	\$516.60

Set by Statute

10-01-95	\$615.00
10-01-00	\$750.00

Minimum under M.S. 176.101, subd. 1(2)

<i>50% of the SAWW or gross wage, whichever is less, but in no case less than 20% of the SAWW</i>	
50%	20%
10-01-80	\$122.00 (gross wage - \$183.00)... \$ 48.80
10-01-81	\$133.50 (gross wage - \$200.25)... \$ 53.40
10-01-82	\$145.00 (gross wage - \$217.50)... \$ 58.00
10-01-83	\$156.50 (gross wage - \$234.75)... \$ 62.60
10-01-84	\$164.50 (gross wage - \$246.75)... \$ 65.80
10-01-85	\$171.00 (gross wage - \$256.50)... \$ 68.40
10-01-86	\$180.00 (gross wage - \$270.00)... \$ 72.00
10-01-87	\$188.00 (gross wage - \$282.00)... \$ 75.20
10-01-88	\$195.50 (gross wage - \$293.25)... \$ 78.20
10-01-89	\$206.50 (gross wage - \$309.75)... \$ 82.60
10-01-90	\$214.00 (gross wage - \$321.00)... \$ 85.60
10-01-91	\$221.50 (gross wage - \$332.25)... \$ 88.60

20% of the SAWW or the employee's actual

weekly wage, whichever is less

10-01-92	\$91.80
10-01-93	\$96.80
10-01-94	\$98.40

Set by statute, the listed amount or the employee's actual weekly wage, whichever is less

10-01-95	\$104.00
10-01-00	\$130.00

Supplementary benefits under M.S. 176.132
(Minnesota Statutes 1994)

and permanent total minimum under M.S. 176.101, subd. 4 (for injuries 10-1-95 and later)	
10-01-90	\$278.20 (rounded to \$279)
10-01-91	\$287.95 (rounded to \$288)
10-01-92	\$298.35 (rounded to \$299)
10-01-93	\$314.60 (rounded to \$315)
10-01-94	\$319.80 (rounded to \$320)
10-01-95	\$328.25 (rounded to \$329)*
10-01-96	\$340.60 (rounded to \$341)*
10-01-97	\$359.45 (rounded to \$360)*
10-01-98	\$376.35 (rounded to \$377)*
10-01-99	\$399.75 (rounded to \$400)*
10-01-00	\$417.30 (rounded to \$418)*
10-01-01	\$442.00 (round)
10-01-02	\$456.30 (rounded to \$457)*
10-01-03	\$466.70 (rounded to \$467)*
10-01-04	\$481.00 (round)
10-01-05	\$503.10 (rounded to \$504)*
10-01-06	\$508.30 (rounded to \$509)*
10-01-07	\$525.20 (rounded to \$526)*

*Rounding applies to supplementary benefits.

New benefit and provider fee levels effective October 2006

By Brian Zaidman and David Berry, Research Analysts, Research and Statistics, and Kate Berger, Legal Services

The statewide average weekly wage (SAWW) effective Oct. 1, 2006, is \$782, a 1.03 percent increase over the current SAWW of \$774, which has been in effect since Oct. 1, 2005. [See the table on this page.] The levels for minimum and maximum weekly benefit payments are presented in the table on the page 6. The statewide annual average wage will change to \$40,636 on Jan. 1, 2007.

The new SAWW is based on 2005 payroll and employment figures supplied by the Department of Employment and Economic Development and the calculation procedure in Minnesota Statutes §176.011, subd. 20. The increase in the SAWW is the basis for the M.S. §176.645 annual benefit increases.

Only injured workers meeting the eligibility requirements of M.S. §176.645 will receive adjusted benefits. Benefit increases for workers injured prior to Oct. 1, 1992, are limited to 6 percent. Benefit increases for workers injured between Oct. 1, 1992, and Sept. 30, 1995, are limited to 4 percent. For workers injured on or after Oct. 1, 1995, the initial annual adjustment is made on the fourth anniversary of the date of injury and is limited to 2 percent.

Vocational rehabilitation provider hourly fees will be adjusted by the 1.03 percent SAWW increase, pursuant to Minnesota Rules 5220.1900 subp. 1b, 1c and 1e. On Oct. 1, 2006, the maximum qualified rehabilitation consultant (QRC) hourly fee will increase to \$86.33 and the maximum hourly rate for rehabilitation job development and placement services will increase to \$66.40.

Statewide average weekly wage Effective Oct. 1 of the indicated year

Year	Statewide average weekly wage	Percentage change from previous year
1993	\$484	5.45%
1994	\$492	1.65%
1995	\$505	2.64%
1996	\$524	3.76%
1997	\$553	5.53%
1998	\$579	4.70%
1999	\$615	6.22%
2000	\$642	4.39%
2001	\$680	5.92%
2002	\$702	3.24%
2003	\$718	2.28%
2004	\$740	3.06%
2005	\$774	4.59%
2006	\$782	1.03%

Minnesota Statutes §176.136, subd. 1a, as amended during the 2005 legislative special session, requires the conversion factor for chiropractic services to be increased to 72 percent of the medical/surgical conversion factor on Oct. 1, 2006. The law also provides that the annual adjustment of the conversion factors may be adjusted (by no less than zero) to offset the increase in payments resulting from the increase in the chiropractic conversion factor.

Pursuant to this law, the 2005 conversion factors are adjusted by 0.73 percent. Subject to the approval of an administrative law judge, effective Oct. 1, 2006, the new conversion factors will be:

- medical/surgical services in part 5221.4030\$76.87
- pathology/laboratory services in part 5221.4040\$64.19
- physical medicine/rehabilitation services in part 5221.4050\$66.64
- chiropractic services in part 5221.4060.....\$55.35

Minnesota Rules, part 5219.0500, subp. 4, provides for adjustment of the maximum fees for independent medical examinations in the same manner as the adjustment of the conversion factor. Therefore, the independent medical examination fees will be increased by 0.73 percent for services provided on or after Oct. 1, 2006, subject to approval by an administrative law judge.

An official notice of the medical fee schedule conversion factors and independent medical examination fees as approved by the administrative law judge will be published in the *State Register* in September.

Compensation rates as of Oct. 1, 2006

Statewide average weekly wage (SAWW) = \$782

Percentage change in SAWW from previous year = 1.03%

(Apply Minnesota Statutes §176.645 adjustment as necessary based on date of injury.)

Maximum under M.S. 176.101 and 176.111

<i>100% of SAWW</i>	
10-01-77	\$197.00
10-01-78	\$209.00
10-01-79	\$226.00
10-01-80	\$244.00
10-01-81	\$267.00
10-01-82	\$290.00
10-01-83	\$313.00
10-01-84	\$329.00
10-01-85	\$342.00
10-01-86	\$360.00
10-01-87	\$376.00
10-01-88	\$391.00
10-01-89	\$413.00
10-01-90	\$428.00
10-01-91	\$443.00
<i>105% of SAWW</i>	
10-01-92	\$481.95
10-01-93	\$508.20
10-01-94	\$516.60
<i>Set by Statute</i>	
10-01-95	\$615.00
10-01-00	\$750.00

Minimum under M.S. 176.101, subd. 1(2)

50% of the SAWW or gross wage, whichever is less, but in no case less than 20% of the SAWW

	<u>50%</u>	<u>20%</u>
10-01-77	\$ 98.50 (gross wage - \$147.75) ...	\$ 39.40
10-01-78	\$104.50 (gross wage - \$156.75) ...	\$ 41.80
10-01-79	\$113.00 (gross wage - \$169.50) ...	\$ 45.20
10-01-80	\$122.00 (gross wage - \$183.00) ...	\$ 48.80
10-01-81	\$133.50 (gross wage - \$200.25) ...	\$ 53.40
10-01-82	\$145.00 (gross wage - \$217.50) ...	\$ 58.00
10-01-83	\$156.50 (gross wage - \$234.75) ...	\$ 62.60
10-01-84	\$164.50 (gross wage - \$246.75) ...	\$ 65.80
10-01-85	\$171.00 (gross wage - \$256.50) ...	\$ 68.40
10-01-86	\$180.00 (gross wage - \$270.00) ...	\$ 72.00
10-01-87	\$188.00 (gross wage - \$282.00) ...	\$ 75.20
10-01-88	\$195.50 (gross wage - \$293.25) ...	\$ 78.20
10-01-89	\$206.50 (gross wage - \$309.75) ...	\$ 82.60
10-01-90	\$214.00 (gross wage - \$321.00) ...	\$ 85.60
10-01-91	\$221.50 (gross wage - \$332.25) ...	\$ 88.60

20% of the SAWW or the employee's actual

weekly wage, whichever is less

10-01-92	\$91.80
10-01-93	\$96.80
10-01-94	\$98.40

Set by statute, the listed amount or the employee's

actual weekly wage, whichever is less

10-01-95	\$104.00
10-01-00	\$130.00

Supplementary benefits under M.S. 176.132 (Minnesota Statutes 1994)

**and permanent total minimum under
M.S. 176.101, subd. 4
(for injuries 10-1-95 and later)**

10-01-84	\$213.85	(rounded to \$214)
10-01-85	\$222.30	(rounded to \$223)
10-01-86	\$234.00	(round)
10-01-87	\$244.40	(rounded to \$245)
10-01-88	\$254.15	(rounded to \$255)
10-01-89	\$268.45	(rounded to \$269)
10-01-90	\$278.20	(rounded to \$279)
10-01-91	\$287.95	(rounded to \$288)
10-01-92	\$298.35	(rounded to \$299)
10-01-93	\$314.60	(rounded to \$315)
10-01-94	\$319.80	(rounded to \$320)
10-01-95	\$328.25	(rounded to \$329)*
10-01-96	\$340.60	(rounded to \$341)*
10-01-97	\$359.45	(rounded to \$360)*
10-01-98	\$376.35	(rounded to \$377)*
10-01-99	\$399.75	(rounded to \$400)*
10-01-00	\$417.30	(rounded to \$418)*
10-01-01	\$442.00	(round)
10-01-02	\$456.30	(rounded to \$457)*
10-01-03	\$466.70	(rounded to \$467)*
10-01-04	\$481.00	(round)
10-01-05	\$503.10	(rounded to \$504)*
10-01-06	\$508.30	(rounded to \$509)*

*Rounding applies to supplementary benefits.

New benefit and provider fee levels effective October 2005

By Brian Zaidman, Research Analyst, Research and Statistics, and Kate Berger, Legal Services

The statewide average weekly wage (SAWW) effective Oct. 1, 2005, is \$774, a 4.59 percent increase over the current SAWW of \$740, which has been in effect since Oct. 1, 2004. [See the table on this page.] The levels for minimum and maximum weekly benefit payments are presented in the table on the page 7. The statewide annual average wage will change to \$40,203 on Jan. 1, 2006.

The new SAWW is based on 2004 payroll and employment figures supplied by the Department of Employment and Economic Development and the calculation procedure in Minnesota Statutes §176.011, subd. 20. The increase in the SAWW is the basis for the M.S. §176.645 annual benefit increases.

Only injured workers meeting the eligibility requirements of M.S. §176.645 will receive adjusted benefits. Benefit increases for workers injured prior to Oct. 1, 1992, are limited to 6 percent. Benefit increases for workers injured between Oct. 1, 1992, and Sept. 30, 1995, are limited to 4 percent. For workers injured on or after Oct. 1, 1995, the initial annual adjustment is made on the fourth anniversary of the date of injury and is limited to 2 percent.

The vocational rehabilitation annual adjustment of hourly fees is limited to the 2 percent maximum increase (Minnesota Rules 5220.1900 subp. 1b, 1c and 1e). On Oct. 1, 2005, the maximum qualified rehabilitation consultant (QRC) hourly fee will increase to \$85.45 and the maximum hourly rate for rehabilitation job development and placement services will increase to \$65.72.

During the 2005 legislative special session, a new law was enacted amending the relative value fee schedule (2005 Laws of Minnesota, 1st special session, ch. 1, art. 4, sec. 40). This law:

- removes the scaling factors from the relative value units in the workers' compensation medical fee schedule.
- establishes four conversion factors for the sections of the fee schedule containing medical/surgical services, pathology and laboratory services, physical medicine and rehabilitation services and chiropractic services.
- requires the four conversion factors to be set so that the maximum fees for each service are the same as under the current fee schedule, except for chiropractic services.
- requires the conversion factor for chiropractic services to be increased to 72 percent of the medical/surgical conversion factor, with half of the increase to be implemented Oct. 1, 2005, and half implemented Oct. 1, 2006.
- provides that the annual adjustment of the conversion factors may be adjusted (by no less than zero) to offset the increase in payments resulting from the increase in the chiropractic conversion factor. **Fee levels, continues ...**

Statewide average weekly wage
Effective Oct. 1 of the indicated year

Year	Statewide average weekly wage	Percentage change from previous year
1992	\$459	3.61%
1993	\$484	5.45%
1994	\$492	1.65%
1995	\$505	2.64%
1996	\$524	3.76%
1997	\$553	5.53%
1998	\$579	4.70%
1999	\$615	6.22%
2000	\$642	4.39%
2001	\$680	5.92%
2002	\$702	3.24%
2003	\$718	2.28%
2004	\$740	3.06%
2005	\$774	4.59%

Fee levels, continued ...

Pursuant to this law, effective Oct. 1, 2005, the new conversion factors will be:

- medical/surgical services in part 5221.4030.....\$76.31
- pathology/laboratory services in part 5221.4040.....\$63.72
- physical medicine/rehabilitation services in part 5221.4050.....\$66.16
- chiropractic services in part 5221.4060.....\$48.08

To offset the increase in the chiropractic conversion factor, as permitted by the new law, there will be no annual adjustment to the conversion factors.

Minnesota Rules, part 5219.0500, subp. 4, provides for adjustment of the maximum fees for independent medical examinations in the same manner as the adjustment of the conversion factor. Therefore, because there is no annual adjustment to the conversion factors, there will be no increase in the independent medical examination fees on Oct. 1, 2005.

An official notice of the medical fee schedule conversion factors and independent medical examination fees as approved by the administrative law judge will be published in the *State Register* in September.

Role-playing injects fun into work comp training scenario



To liven up the afternoon session during a Department of Labor and Industry workers' compensation training for insurance adjusters, in July, Customer Assistance staff members take on roles, acting out a mediation session with an injured worker and two lawyers. For more training information, visit www.doli.state.mn.us/wctrain.html.

Above (l to r): injured employee Marv Williams (Ralph Hapness, in hat); attorney Lyle Litigator (Phil Moosbrugger). DLI mediator (John O'Loughlin); and the insurer's attorney Paula Perfect (Nancy Lane).

Compensation rates as of Oct. 1, 2005

Statewide average weekly wage (SAWW) = \$774
Percentage change in SAWW from previous year = 4.59%
(Apply Minnesota Statutes §176.645 adjustment as necessary based on date of injury.)

Maximum under M.S. 176.101 and 176.111

<i>100% of SAWW</i>	
10-01-77	\$197.00
10-01-78	\$209.00
10-01-79	\$226.00
10-01-80	\$244.00
10-01-81	\$267.00
10-01-82	\$290.00
10-01-83	\$313.00
10-01-84	\$329.00
10-01-85	\$342.00
10-01-86	\$360.00
10-01-87	\$376.00
10-01-88	\$391.00
10-01-89	\$413.00
10-01-90	\$428.00
10-01-91	\$443.00
<i>105% of SAWW</i>	
10-01-92	\$481.95
10-01-93	\$508.20
10-01-94	\$516.60
<i>Set by Statute</i>	
10-01-95	\$615.00
10-01-00	\$750.00

Minimum under M.S. 176.101, subd. 1(2)

<i>50% of the SAWW or gross wage, whichever is less, but in no case less than 20% of the SAWW</i>	
10-01-77	\$ 98.50 (gross wage - \$147.75) ... \$ 39.40
10-01-78	\$104.50 (gross wage - \$156.75) ... \$ 41.80
10-01-79	\$113.00 (gross wage - \$169.50) ... \$ 45.20
10-01-80	\$122.00 (gross wage - \$183.00) ... \$ 48.80
10-01-81	\$133.50 (gross wage - \$200.25) ... \$ 53.40
10-01-82	\$145.00 (gross wage - \$217.50) ... \$ 58.00
10-01-83	\$156.50 (gross wage - \$234.75) ... \$ 62.60
10-01-84	\$164.50 (gross wage - \$246.75) ... \$ 65.80
10-01-85	\$171.00 (gross wage - \$256.50) ... \$ 68.40
10-01-86	\$180.00 (gross wage - \$270.00) ... \$ 72.00
10-01-87	\$188.00 (gross wage - \$282.00) ... \$ 75.20
10-01-88	\$195.50 (gross wage - \$293.25) ... \$ 78.20
10-01-89	\$206.50 (gross wage - \$309.75) ... \$ 82.60
10-01-90	\$214.00 (gross wage - \$321.00) ... \$ 85.60
10-01-91	\$221.50 (gross wage - \$332.25) ... \$ 88.60
<i>20% of the SAWW or the employee's actual weekly wage, whichever is less</i>	
10-01-92	\$91.80
10-01-93	\$96.80
10-01-94	\$98.40
<i>Set by statute, the listed amount or the employee's actual weekly wage, whichever is less</i>	
10-01-95	\$104.00
10-01-00	\$130.00

Supplementary benefits under M.S. 176.132 (Minnesota Statutes 1994)

and permanent total minimum under M.S. 176.101, subd. 4 (for injuries 10-1-95 and later)

10-01-83	\$203.45	(rounded to \$204)
10-01-84	\$213.85	(rounded to \$214)
10-01-85	\$222.30	(rounded to \$223)
10-01-86	\$234.00	(round)
10-01-87	\$244.40	(rounded to \$245)
10-01-88	\$254.15	(rounded to \$255)
10-01-89	\$268.45	(rounded to \$269)
10-01-90	\$278.20	(rounded to \$279)
10-01-91	\$287.95	(rounded to \$288)
10-01-92	\$298.35	(rounded to \$299)
10-01-93	\$314.60	(rounded to \$315)
10-01-94	\$319.80	(rounded to \$320)
10-01-95	\$328.25	(rounded to \$329)*
10-01-96	\$340.60	(rounded to \$341)*
10-01-97	\$359.45	(rounded to \$360)*
10-01-98	\$376.35	(rounded to \$377)*
10-01-99	\$399.75	(rounded to \$400)*
10-01-00	\$417.30	(rounded to \$418)*
10-01-01	\$442.00	(round)
10-01-02	\$456.30	(rounded to \$457)*
10-01-03	\$466.70	(rounded to \$467)*
10-01-04	\$481.00	(round)
10-01-05	\$503.10	(rounded to \$504)*

*Rounding applies to supplementary benefits.

New benefit and provider fees levels effective October 2004

By Brian Zaidman, Research Analyst
Research and Statistics

The statewide average weekly wage (SAWW) effective Oct. 1, 2004, is \$740, a 3.06 percent increase over the current SAWW of \$718, which has been in effect since Oct. 1, 2003. [See the table on this page.] The levels for minimum and maximum weekly benefit payments are presented in the table on the following page. The statewide annual average wage will change to \$38,441 on Jan. 1, 2005.

The new SAWW is based on 2003 payroll and employment figures supplied by the Department of Employment and Economic Development and the calculation procedure in Minnesota Statutes §176.011, subd. 20. The increase in the SAWW is the basis for the M.S. §176.645 annual benefit increases.

Only injured workers meeting the eligibility requirements of M.S. §176.645 will receive adjusted benefits. Benefit increases for workers injured prior to Oct. 1, 1992, are limited to 6 percent. Benefit increases for workers injured between Oct. 1, 1992, and Sept. 30, 1995, are limited to 4 percent. For workers injured on or after Oct. 1, 1995, the initial annual adjustment is made on the fourth anniversary of the date of injury and is limited to 2 percent. [See *COMPACT*, February 1999, pages 10-11.]

The vocational rehabilitation annual adjustment of hourly fees is limited to the 2 percent maximum increase (Minnesota Rules 5220.1900 subp. 1b, 1c and 1e). On Oct. 1, 2004, the maximum qualified rehabilitation consultant (QRC) hourly fee will increase to \$83.77 and the maximum hourly rate for rehabilitation job development and placement services will increase to \$64.43. Notices of hourly fee changes must be filed with the DLI commissioner. QRCs and registered rehabilitation vendors can ensure their hourly rates are on file by completing forms R-21 or R-23 (available on the Department of Labor and Industry Web site at www.doli.state.mn.us/wcforms1.html; scroll to bottom of page).

Pursuant to M.S. §176.136, subd. 1a, which provides for annual adjustments of the medical fee schedule

conversion factor by no more than the change in the statewide average weekly wage, the commissioner is adjusting the conversion factor by 1.5 percent, which is the percent change in the producer price index for offices of physicians (PPI-P) developed by the U.S. Department of Labor, Bureau of Labor Statistics. The conversion factor will increase to \$76.31 for services provided on or after Oct. 1, 2004, subject to approval by an administrative law judge.

Minnesota Rules, part 5219.0500, subp. 4, provides for adjustment of the maximum fees for independent medical examinations in the same manner as the adjustment of the conversion factor. Therefore, the independent medical examination fees will be increased by 1.5 percent for services provided on or after Oct. 1, 2004, subject to approval by an administrative law judge. An official notice of the medical fee schedule conversion factor and independent medical examination fee increases approved by the administrative law judge will be published in the *State Register* in September.

Statewide average weekly wage
Effective Oct. 1 of the indicated year

Year	Statewide average weekly wage	Percentage change from previous year
1990.....	\$428.....	3.63%
1991.....	\$443.....	3.50%
1992.....	\$459.....	3.61%
1993.....	\$484.....	5.45%
1994.....	\$492.....	1.65%
1995.....	\$505.....	2.64%
1996.....	\$524.....	3.76%
1997.....	\$553.....	5.53%
1998.....	\$579.....	4.70%
1999.....	\$615.....	6.22%
2000.....	\$642.....	4.39%
2001.....	\$680.....	5.92%
2002.....	\$702.....	3.24%
2003.....	\$718.....	2.28%
2004.....	\$740.....	3.06%

Compensation rates as of Oct. 1, 2004

Statewide average weekly wage (SAWW) = \$740

Percentage change in SAWW from previous year = 3.06%

(Apply Minnesota Statutes §176.645 adjustment as necessary based on date of injury.)

Maximum under M.S. 176.101 and 176.111

<i>100% of SAWW</i>	
10-01-77	\$197.00
10-01-78	\$209.00
10-01-79	\$226.00
10-01-80	\$244.00
10-01-81	\$267.00
10-01-82	\$290.00
10-01-83	\$313.00
10-01-84	\$329.00
10-01-85	\$342.00
10-01-86	\$360.00
10-01-87	\$376.00
10-01-88	\$391.00
10-01-89	\$413.00
10-01-90	\$428.00
10-01-91	\$443.00
<i>105% of SAWW</i>	
10-01-92	\$481.95
10-01-93	\$508.20
10-01-94	\$516.60
<i>Set by Statute</i>	
10-01-95	\$615.00
10-01-00	\$750.00

Minimum under M.S. 176.101, subd. 1(2)

<i>50% of the SAWW or gross wage, whichever is less, but in no case less than 20% of the SAWW</i>	
	<i>50%</i>
10-01-77	\$98.50 (gross wage - \$147.75) ... \$39.40
10-01-78	\$104.50 (gross wage - \$156.75) ... \$41.80
10-01-79	\$113.00 (gross wage - \$169.50) ... \$45.20
10-01-80	\$122.00 (gross wage - \$183.00) ... \$48.80
10-01-81	\$133.50 (gross wage - \$200.25) ... \$53.40
10-01-82	\$145.00 (gross wage - \$217.50) ... \$58.00
10-01-83	\$156.50 (gross wage - \$234.75) ... \$62.60
10-01-84	\$164.50 (gross wage - \$246.75) ... \$65.80
10-01-85	\$171.00 (gross wage - \$256.50) ... \$68.40
10-01-86	\$180.00 (gross wage - \$270.00) ... \$72.00
10-01-87	\$188.00 (gross wage - \$282.00) ... \$75.20
10-01-88	\$195.50 (gross wage - \$293.25) ... \$78.20
10-01-89	\$206.50 (gross wage - \$309.75) ... \$82.60
10-01-90	\$214.00 (gross wage - \$321.00) ... \$85.60
10-01-91	\$221.50 (gross wage - \$332.25) ... \$88.60
<i>20% of the SAWW or the employee's actual weekly wage, whichever is less</i>	
	<i>20%</i>
10-01-92	\$91.80
10-01-93	\$96.80
10-01-94	\$98.40
<i>Set by statute, the listed amount or the employee's actual weekly wage, whichever is less</i>	
10-01-95	\$104.00
10-01-00	\$130.00

Supplementary benefits under M.S. 176.132 (Minnesota Statutes 1994)

and permanent total minimum under M.S. 176.101, subd. 4 (for injuries 10-1-95 and later)	
10-01-82	\$188.50 (65% of \$290)
10-01-83	\$203.45 (rounded to \$204)
10-01-84	\$213.85 (rounded to \$214)
10-01-85	\$222.30 (rounded to \$223)
10-01-86	\$234.00 (round)
10-01-87	\$244.40 (rounded to \$245)
10-01-88	\$254.15 (rounded to \$255)
10-01-89	\$268.45 (rounded to \$269)
10-01-90	\$278.20 (rounded to \$279)
10-01-91	\$287.95 (rounded to \$288)
10-01-92	\$298.35 (rounded to \$299)
10-01-93	\$314.60 (rounded to \$315)
10-01-94	\$319.80 (rounded to \$320)
10-01-95	\$328.25 (rounded to \$329)*
10-01-96	\$340.60 (rounded to \$341)*
10-01-97	\$359.45 (rounded to \$360)*
10-01-98	\$376.35 (rounded to \$377)*
10-01-99	\$399.75 (rounded to \$400)*
10-01-00	\$417.30 (rounded to \$418)*
10-01-01	\$442.00 (round)
10-01-02	\$456.30 (rounded to \$457)*
10-01-03	\$466.70 (rounded to \$467)*
10-01-04	\$481.00 (round)

*Rounding applies to supplementary benefits.

New benefit and provider fees levels effective October 2003

By Brian Zaidman, Research Analyst
Research and Statistics

The statewide average weekly wage (SAWW) effective Oct. 1, 2003, is \$718, a 2.28 percent increase over the current SAWW of \$702, which has been in effect since Oct. 1, 2002. [See the table on this page.] The levels for minimum and maximum weekly benefit payments are presented in the table on the following page. The statewide annual average wage will change to \$37,311 on Jan. 1, 2004.

The new SAWW is based on 2002 payroll and employment figures supplied by the Department of Employment and Economic Development and the calculation procedure in Minnesota Statutes §176.011, subd. 20. The increase in the SAWW is the basis for the M.S. §176.645 annual benefit increases.

Only injured workers meeting the eligibility requirements of M.S. §176.645 will receive adjusted benefits. Benefit increases for workers injured prior to Oct. 1, 1992, are limited to 6 percent. Benefit increases for workers injured between Oct. 1, 1992 and Sept. 30, 1995, are limited to 4 percent. For workers injured on or after Oct. 1, 1995, the initial annual adjustment is made on the fourth anniversary of the date of injury and is limited to 2 percent. [See *COMPACT*, February 1999, pages 10-11.]

The vocational rehabilitation annual adjustment of hourly fees is limited to the 2 percent maximum increase (Minnesota Rules 5220.1900 subp. 1b, 1c and 1e). On Oct. 1, 2003, the maximum qualified rehabilitation consultant (QRC) hourly fee will increase to \$82.13 and the maximum hourly rate for rehabilitation job development and placement services will increase to \$63.17. Notices of hourly fee changes must be filed with the DLI commissioner. QRCs and registered rehabilitation vendors can ensure their hourly rates are on file by completing forms R-21 or R-23 (available on the Department of Labor and Industry Web site at www.doli.state.mn.us/wcforms1.html).

Pursuant to M.S. §176.136, subd. 1a, which provides for annual adjustments of the medical fee schedule

conversion factor by no more than the change in the statewide average weekly wage, the commissioner is adjusting the conversion factor by 0.0 percent, which is the percent change in the producer price index for offices of physicians (PPI-P) developed by the U.S. Department of Labor, Bureau of Labor Statistics. The conversion factor will remain at \$75.18 for services provided on or after Oct. 1, 2003, subject to approval by an administrative law judge.

Minnesota Rules, part 5219.0500, subp. 4, provides for adjustment of the maximum fees for independent medical examinations in the same manner as the adjustment of the conversion factor. Therefore, the independent medical examination fees are not being changed for services provided on or after Oct. 1, 2003, subject to approval by an administrative law judge. An official notice of the medical fee schedule conversion factor and independent medical examination fee increases approved by the administrative law judge will be published in the *State Register* in September.

Statewide average weekly wage Effective Oct. 1 of the indicated year

Year	Statewide average weekly wage	Percentage change from previous year
1990	\$428	3.63%
1991	\$443	3.50%
1992	\$459	3.61%
1993	\$484	5.45%
1994	\$492	1.65%
1995	\$505	2.64%
1996	\$524	3.76%
1997	\$553	5.53%
1998	\$579	4.70%
1999	\$615	6.22%
2000	\$642	4.39%
2001	\$680	5.92%
2002	\$702	3.24%
2003	\$718	2.28%

Compensation rates as of Oct. 1, 2003

Statewide average weekly wage (SAWW) = \$718
 Percentage change in SAWW from previous year = 2.28%
 (Apply Minnesota Statutes §176.645 adjustment as necessary based on date of injury.)

Maximum under M.S. 176.101 and 176.111

<i>100% of SAWW</i>	
10-01-77	\$197.00
10-01-78	\$209.00
10-01-79	\$226.00
10-01-80	\$244.00
10-01-81	\$267.00
10-01-82	\$290.00
10-01-83	\$313.00
10-01-84	\$329.00
10-01-85	\$342.00
10-01-86	\$360.00
10-01-87	\$376.00
10-01-88	\$391.00
10-01-89	\$413.00
10-01-90	\$428.00
10-01-91	\$443.00
<i>105% of SAWW</i>	
10-01-92	\$481.95
10-01-93	\$508.20
10-01-94	\$516.60
<i>Set by Statute</i>	
10-01-95	\$615.00
10-01-00	\$750.00

Minimum under M.S. 176.101, subd. 1(2)

<i>50% of the SAWW or gross wage, whichever is less, but in no case less than 20% of the SAWW</i>	
	<i>50%</i>
10-01-77 ... \$ 98.50 (gross wage - \$147.75) ...	\$ 39.40
10-01-78 .. \$104.50 (gross wage - \$156.75) ...	\$ 41.80
10-01-79 .. \$113.00 (gross wage - \$169.50) ...	\$ 45.20
10-01-80 .. \$122.00 (gross wage - \$183.00) ...	\$ 48.80
10-01-81 .. \$133.50 (gross wage - \$200.25) ...	\$ 53.40
10-01-82 .. \$145.00 (gross wage - \$217.50) ...	\$ 58.00
10-01-83 .. \$156.50 (gross wage - \$234.75) ...	\$ 62.60
10-01-84 .. \$164.50 (gross wage - \$246.75) ...	\$ 65.80
10-01-85 .. \$171.00 (gross wage - \$256.50) ...	\$ 68.40
10-01-86 .. \$180.00 (gross wage - \$270.00) ...	\$ 72.00
10-01-87 .. \$188.00 (gross wage - \$282.00) ...	\$ 75.20
10-01-88 .. \$195.50 (gross wage - \$293.25) ...	\$ 78.20
10-01-89 .. \$206.50 (gross wage - \$309.75) ...	\$ 82.60
10-01-90 .. \$214.00 (gross wage - \$321.00) ...	\$ 85.60
10-01-91 .. \$221.50 (gross wage - \$332.25) ...	\$ 88.60
<i>20% of the SAWW or the employee's actual weekly wage, whichever is less</i>	
10-01-92	\$91.80
10-01-93	\$96.80
10-01-94	\$98.40
<i>Set by Statute, the listed amount or the employee's actual weekly wage, whichever is less</i>	
10-01-95	\$104.00
10-01-00	\$130.00

Supplementary Benefits under M.S. 176.132
 (Minnesota Statutes 1994)

and Permanent Total Minimum under M.S. 176.101, subd. 4	
(for injuries 10-1-95 and later)	
10-01-80	\$158.60 (65% of \$244)
10-01-81	\$173.55 (65% of \$267)
10-01-82	\$188.50 (65% of \$290)
10-01-83	\$203.45 (rounded to \$204)
10-01-84	\$213.85 (rounded to \$214)
10-01-85	\$222.30 (rounded to \$223)
10-01-86	\$234.00 (round)
10-01-87	\$244.40 (rounded to \$245)
10-01-88	\$254.15 (rounded to \$255)
10-01-89	\$268.45 (rounded to \$269)
10-01-90	\$278.20 (rounded to \$279)
10-01-91	\$287.95 (rounded to \$288)
10-01-92	\$298.35 (rounded to \$299)
10-01-93	\$314.60 (rounded to \$315)
10-01-94	\$319.80 (rounded to \$320)
10-01-95	\$328.25 (rounded to \$329)*
10-01-96	\$340.60 (rounded to \$341)*
10-01-97	\$359.45 (rounded to \$360)*
10-01-98	\$376.35 (rounded to \$377)*
10-01-99	\$399.75 (rounded to \$400)*
10-01-00	\$417.30 (rounded to \$418)*
10-01-01	\$442.00 (round)
10-01-02	\$456.30 (rounded to \$457)*
10-01-03	\$466.70 (rounded to \$467)*

*Rounding applies to supplementary benefits.

Benefit levels and provider fees increase October 2002

By Brian Zaidman, Research Analyst
Research and Statistics

The statewide average weekly wage (SAWW) effective Oct. 1, 2002, is \$702, a 3.24 percent increase over the current SAWW of \$680, which has been in effect since Oct. 1, 2001. [See the table on this page.] The levels for minimum and maximum weekly benefit payments are presented in the table on the following page. The statewide annual average wage will change to \$36,457 on Jan. 1, 2003.

The new SAWW is based on 2001 payroll and employment figures supplied by the Department of Economic Security and the calculation procedure in Minnesota Statutes §176.011, subd. 20. The increase in the SAWW is the basis for the M.S. §176.645 annual benefit increases.

Only injured workers meeting the eligibility requirements of M.S. §176.645 will receive adjusted benefits. Benefit increases for workers injured prior to Oct. 1, 1992, are limited to 6 percent. Benefit increases for workers injured between Oct. 1, 1992 and Sept. 30, 1995, are limited to 4 percent. For workers injured on or after Oct. 1, 1995, the initial annual adjustment is made on the fourth anniversary of the date of injury and is limited to 2 percent. [See *COMPACT*, February 1999, pages 10-11.]

The vocational rehabilitation annual adjustment of hourly fees is limited to the 2 percent maximum increase (Minnesota Rules 5220.1900 subp. 1b, 1c and 1e). On Oct. 1, 2002, the maximum qualified rehabilitation consultant (QRC) hourly fee will increase to \$80.52 and the maximum hourly rate for rehabilitation job development and placement services will increase to \$61.93. Notices of hourly fee changes must be filed with the DLI commissioner. QRCs and registered rehabilitation vendors can ensure their hourly rates are on file by completing forms R-21 or R-23. These forms are on pages 31 and 33 in this edition.

Pursuant to M.S. §176.136, subd. 1a, which provides for annual adjustments of the medical fee schedule conversion factor by no more than the change in the

statewide average weekly wage, the commissioner is increasing the conversion factor by 2.8 percent, which is the percent change in the producer price index for offices of physicians (PPI-P) developed by the U.S. Department of Labor, Bureau of Labor Statistics. This will increase the conversion factor to \$75.18 for services provided on or after Oct. 1, 2002, subject to approval by an administrative law judge.

Minnesota Rules, part 5219.0500, subp. 4, provides for adjustment of the maximum fees for independent medical examinations in the same manner as the adjustment of the conversion factor. Therefore, the independent medical examination fees are also increased by the PPI-P of 2.8 percent for services provided on or after Oct. 1, 2002, subject to approval by an administrative law judge. An official notice of the medical fee schedule conversion factor and independent medical examination fee increases approved by the administrative law judge will be published in the *State Register* in September.

**Statewide average weekly wage
Effective Oct. 1 of the indicated year**

Year	Statewide average weekly wage	Percentage change from previous year
1990	\$428	3.63%
1991	\$443	3.50%
1992	\$459	3.61%
1993	\$484	5.45%
1994	\$492	1.65%
1995	\$505	2.64%
1996	\$524	3.76%
1997	\$553	5.53%
1998	\$579	4.70%
1999	\$615	6.22%
2000	\$642	4.39%
2001	\$680	5.92%
2002	\$702	3.24%

Compensation rates as of Oct. 1, 2002

Statewide average weekly wage (SAWW) = \$702
Percentage change in SAWW from previous year = 3.24%
(Apply Minnesota Statutes §176.645 adjustment as necessary based on date of injury.)

Maximum under M.S. 176.101 and 176.111

<i>100% of SAWW</i>	
10-01-77	\$197.00
10-01-78	\$209.00
10-01-79	\$226.00
10-01-80	\$244.00
10-01-81	\$267.00
10-01-82	\$290.00
10-01-83	\$313.00
10-01-84	\$329.00
10-01-85	\$342.00
10-01-86	\$360.00
10-01-87	\$376.00
10-01-88	\$391.00
10-01-89	\$413.00
10-01-90	\$428.00
10-01-91	\$443.00
<i>105% of SAWW</i>	
10-01-92	\$481.95
10-01-93	\$508.20
10-01-94	\$516.60
<i>Set by Statute</i>	
10-01-95	\$615.00
10-01-00	\$750.00

Minimum under M.S. 176.101, subd. 1(2)

<i>50% of the SAWW or gross wage, whichever is less, but in no case less than 20% of the SAWW</i>	
10-01-77 ...	\$ 98.50 (gross wage - \$147.75) ... \$ 39.40
10-01-78 ..	\$104.50 (gross wage - \$156.75) ... \$ 41.80
10-01-79 ..	\$113.00 (gross wage - \$169.50) ... \$ 45.20
10-01-80 ..	\$122.00 (gross wage - \$183.00) ... \$ 48.80
10-01-81 ..	\$133.50 (gross wage - \$200.25) ... \$ 53.40
10-01-82 ..	\$145.00 (gross wage - \$217.50) ... \$ 58.00
10-01-83 ..	\$156.50 (gross wage - \$234.75) ... \$ 62.60
10-01-84 ..	\$164.50 (gross wage - \$246.75) ... \$ 65.80
10-01-85 ..	\$171.00 (gross wage - \$256.50) ... \$ 68.40
10-01-86 ..	\$180.00 (gross wage - \$270.00) ... \$ 72.00
10-01-87 ..	\$188.00 (gross wage - \$282.00) ... \$ 75.20
10-01-88 ..	\$195.50 (gross wage - \$293.25) ... \$ 78.20
10-01-89 ..	\$206.50 (gross wage - \$309.75) ... \$ 82.60
10-01-90 ..	\$214.00 (gross wage - \$321.00) ... \$ 85.60
10-01-91 ..	\$221.50 (gross wage - \$332.25) ... \$ 88.60
<i>20% of the SAWW or the employee's actual weekly wage, whichever is less</i>	
10-01-92	\$91.80
10-01-93	\$96.80
10-01-94	\$98.40
<i>Set by Statute, the listed amount or the employee's actual weekly wage, whichever is less</i>	
10-01-95	\$104.00
10-01-00	\$130.00

Supplementary Benefits under M.S. 176.132
 (Minnesota Statutes 1994)

and Permanent Total Minimum under M.S. 176.101, subd. 4
 (for injuries 10-1-95 and later)

01-01-80	\$146.90	(65% of 226)
10-01-80	\$158.60	(65% of 244)
10-01-81	\$173.55	(65% of 267)
10-01-82	\$188.50	(65% of 290)
10-01-83	\$203.45	(rounded to 204)
10-01-84	\$213.85	(rounded to 214)
10-01-85	\$222.30	(rounded to 223)
10-01-86	\$234.00	(round)
10-01-87	\$244.40	(rounded to 245)
10-01-88	\$254.15	(rounded to 255)
10-01-89	\$268.45	(rounded to 269)
10-01-90	\$278.20	(rounded to 279)
10-01-91	\$287.95	(rounded to 288)
10-01-92	\$298.35	(rounded to 299)
10-01-93	\$314.60	(rounded to 315)
10-01-94	\$319.80	(rounded to 320)
10-01-95	\$328.25	(rounded to 329)*
10-01-96	\$340.60	(rounded to 341)*
10-01-97	\$359.45	(rounded to 360)*
10-01-98	\$376.35	(rounded to 377)*
10-01-99	\$399.75	(rounded to 400)*
10-01-00	\$417.30	(rounded to 418)*
10-01-01	\$442.00	(round)
10-01-02	\$456.30	(rounded to 457)*

*Rounding applies to supplementary benefits.