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## Governor signs workers' compensation legislation into law

Governor Tim Walz signed legislation May 22, enacting statutory amendments recommended by the Workers' Compensation Advisory Council (WCAC) during the 2025 legislative session. WCAC is a statutory council made up of representatives from business and organized labor and charged with recommending to the Legislature amendments to Minnesota Chapter 176, the chapter governing workers' compensation in Minnesota. The council is also charged with reporting its views on legislation relating to chapter 176. See Minnesota Statutes § 175.007.

### Overview summary

The 2025 workers' compensation legislation, [2025 Minnesota Session Laws, Chapter 27 – H.F. 3228](#), contains 14 sections and adopts recommendations unanimously approved by WCAC related to:

- clarification of the definition of employee for workers' compensation purposes related to direct support workers providing services through various support programs and grants under the Minnesota Department of Human Services (Article 1, section 1);
- clarification to the definition of corporate executive officer (Article 1, sections 2 and 3);
- updates related to nursing services provided by a family member or a member of the employee's household and associated intervention requirements (Article 1, sections 4 and 7);
- technical changes to certain filing provisions in chapter 176 (Article 1, sections 5 and 8);
- an increase to the limit above which workers' compensation benefits are assignable (Article 1, section 6);
- repealer of Minnesota Rules, part 5220.2840 (Article 1, section 9);
- addition of a section to chapter 79 to require employers in building construction or improvement services applying for a zero estimated exposure policy to attest to certain statements at the time of application (Article 2, section 1);
- addition of a section to chapter 79 related to owner- and contractor-controlled insurance programs for large construction projects (Article 2, section 2); and
- updates to chapter 176 related to the definition of a zero estimated exposure policy, data collection related to zero estimated exposure policies and notice requirements related to zero estimated exposure policies (Article 2, sections 3-5).

### Detailed summary

This provides only a summary of the 2025 workers' compensation legislation. The actual language of Chapter 27 is available at [revisor.mn.gov/laws/2025/0/Session+Law/Chapter/27](https://revisor.mn.gov/laws/2025/0/Session+Law/Chapter/27).

## Article 1

### Section 1

#### *Minnesota Statutes § 176.011, subdivision 9, paragraph (a), clause (17) – definition*

Amends the definition of employee to clarify that workers performing direct support services, including under sections 256B.0659, 526B.85, 256B.4911 and 256.476, are employees when certain criteria are met. Clarifies the responsibilities of a personal care assistance provider agency, financial management services provider and agency-provider relative to workers' compensation insurance.

- Effective date: This section is effective the day following final enactment.

### Section 2

#### *Minnesota Statutes § 176.011, subdivision 11 – definition*

Amends the definition of executive officer of a corporation to include officers elected or appointed pursuant to section 302A.011, subd. 18.

- Effective date: This section is effective the day following final enactment.

**Section 3***Minnesota Statutes § 176.041, subdivision 1, paragraphs (6) and (7) – workers' compensation exclusions*

Amends the exclusion from workers' compensation coverage for certain executive officers to the executive officers defined in section 176.011, subdivision 11.

- Effective date: This section is effective the day following final enactment.

**Section 4***Minnesota Statutes § 176.135, subdivision 1, paragraph (b) – medically necessary nursing services*

Adds the requirement that the employer pay for the reasonable value of nursing services provided by a member of the employee's household in addition to those provided by a member of the employee's family, in cases of permanent total disability.

- Effective date: This section is effective the day following final enactment.

**Section 5***Minnesota Statutes § 176.151(a) – statute of limitations*

Clarifies that the limit on actions or proceedings by an injured employee to determine or recover compensation is three years after a written report of injury has been made to the commissioner of the Department of Labor and Industry.

- Effective date: This section is effective the day following final enactment.

**Section 6***Minnesota Statutes § 176.175, subdivision 2 – nonassignability limit*

Raises the limit of compensation owned by an injured employee or dependents exempt from seizure or sale for the payment of a debt or liability to \$10 million per claim.

- Effective date: This section is effective for dates of injury on or after Oct. 1, 2025.

**Section 7***Minnesota Statutes § 176.361, subdivision 2 – intervention*

Adds an exception to the requirement an intervenor's interest be extinguished where a motion to intervene is not timely filed if the potential intervenor is a member of the employee's family or household supplying nursing services under section 176.135, subd. 1.

- Effective date: This section is effective the day following final enactment.

**Section 8***Minnesota Statutes § 176.421, subdivision 4 – filing*

Removes the requirement that a copy of the notice of appeal be filed with the commissioner.

- Effective date: This section is effective the day following final enactment.

## Section 9

Repeals Minnesota Rules, part 5220.2840, relating to penalties for failing to pay assessments or report to the Special Compensation Fund.

- Effective date: This section is effective the day following final enactment.

## Article 2

### Section 1

#### *Minnesota Statutes § 79.101 – zero estimated exposure policies*

Adds a new section to chapter 79 defining a zero estimated exposure workers' compensation policy and requiring a specific attestation for building construction or improvement services employers upon application for a zero estimated exposure policy.

- Effective date: This section is effective for policies issued or renewed on or after Jan. 1, 2026.

### Section 2

#### *Minnesota Statutes § 79.102 – owner- and contractor-controlled insurance programs*

Adds a new section to chapter 79 related to owner- and contractor-controlled insurance programs that defines such programs; requires approval of the program by the commissioner of the Department of Commerce; sets out the application requirements including eligibility criteria; outlines requirements for policy forms, rates, payroll records and notice to contractors, subcontractors and their employees; and authorizes the Department of Commerce to audit and investigate the programs.

- Effective date: This section is effective Jan. 1, 2026.

### Section 3

#### *Minnesota Statutes § 176.011, subdivision 19a – definition*

Adds a new subdivision to chapter 176.011 defining a zero estimated exposure policy under the Workers' Compensation Act.

- Effective date: This section is effective the day following final enactment.

### Section 4

#### *Minnesota Statutes § 176.185, subdivision 11 – insurance data*

Requires an insurer to report the total estimated exposure amount for a zero estimated exposure policy and the employer's reported construction classification codes for a zero estimated exposure policy.

- Effective date: This section is effective Jan. 1, 2026.

### Section 5

#### *Minnesota Statutes § 176.185, subdivision 12 – notice requirement*

Adds a subdivision to chapter 176.185 requiring notice and a copy of the policy be provided by building construction or improvement services employers with zero estimated exposure policies and requiring retention for those contracting with building construction and improvement services employers with those policies.

- Effective date: This section is effective Jan. 1, 2026.

## Recent promotions, job shifts in DLI's Workers' Compensation Division

### *Lisa Wichterman promoted to workers' compensation ombudsman*

Lisa Wichterman has been promoted to the position of ombudsman in the Department of Labor and Industry's (DLI's) Office of Workers' Compensation Ombudsman. She has more than 25 years of workers' compensation experience. For the past 17 years, she was DLI's medical policy specialist. Wichterman's significant contributions and leadership have been recognized through multiple awards from esteemed organizations, including the International Association of Industrial Accident Boards and Commissions and the Minnesota Department of Health.

DLI's Office of Workers' Compensation Ombudsman is a separate entity within the department. Its purpose is to inform, assist and empower injured workers and small businesses having difficulty navigating the workers' compensation system, to help resolve problems encountered in the system.

The ombudsman assists injured workers by:

- providing information to help them protect their rights and to pursue a claim;
- contacting claims adjusters and other parties to resolve a dispute;
- assisting in preparing for settlement negotiations or mediation; and
- making appropriate referrals to other agencies or entities when further resources are needed.



Lisa Wichterman

The ombudsman assists small businesses by:

- providing information regarding what to do when an employee reports an injury;
- directing them to appropriate resources for assistance in obtaining and resolving issues regarding workers' compensation insurance; and
- responding to questions pertaining to employers' responsibilities under Minnesota's workers' compensation law.

For more information, visit the [Work comp: Ombudsman webpage](#).

### *Sharon Benkufsky promoted to medical policy specialist*

Sharon Benkufsky is a DLI medical policy specialist in the Workers' Compensation Division. She provides senior-level workers' compensation compliance review, enforcement, outreach and consultation to ensure effective medical services are provided to injured workers in Minnesota. She also: participates in the rulemaking process; recommends to the DLI commissioner policy, statute or rule changes that impact health care services for injured workers; and provides expert advice to stakeholders.

Benkufsky began working at DLI in February 2023. She has several years of claim experience as an adjuster specializing in Minnesota workers' compensation.

In her free time, she loves spending time at her cabin and with her family.



Sharon Benkufsky

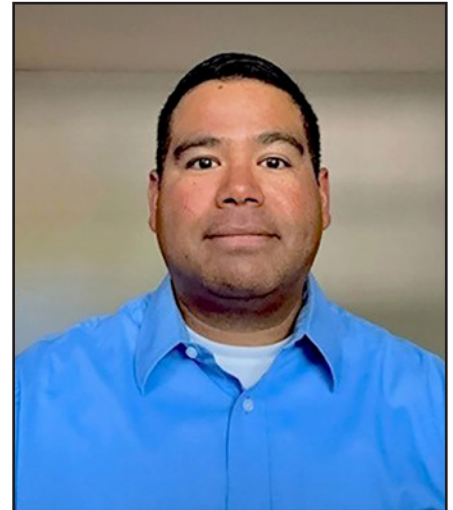


### *Tom Garza promoted to compliance officer, senior, and medical policy specialist*

Tom Garza is a compliance services officer, senior, and a medical policy specialist in the DLI Workers' Compensation Division. He provides proactive assistance and educational outreach regarding workers' compensation issues and compliance. Garza also advises and educates customers about the procedures and strategies to be used in effective claims management. He regulates and enforces compliance with workers' compensation statutes, case law and rules, determining and issuing warning and penalty assessments.

He began working at DLI in June 2024. He has several years of claim experience as an adjuster specializing in Minnesota workers' compensation.

In his free time, Garza loves spending time at his cabin and with his family.



**Tom Garza**

### *Jeanne Vogel moves to SCF assistant director position*

Jeanne Vogel joined the DLI Special Compensation Fund (SCF) as assistant director May 21. She obtained her master's degree in rehabilitation counseling from St. Cloud State University and has spent more than 25 years working with DLI's Vocational Rehabilitation unit (VRU), as a qualified rehabilitation consultant, supervisor and director. Vogel has worked closely with staff members from VRU, the Compliance, Records and Training (CRT) unit and SCF to educate injured workers about their right to vocational rehabilitation services.

She has been involved in many Workers' Compensation Division initiatives, including rulemaking, technology-related projects and stakeholder outreach. In addition, she contributes to many DLI cross-functional teams, including the Equity Action Committee, Mentorship Program, Safety and Health Committee, and Sustainability Committee.

Vogel looks forward to continuing to serve Minnesotans in her new role within the agency.



**Jeanne Vogel**

### *Michael Haire moves to VRU director position*

Michael Haire, DLI VRU director, is a qualified rehabilitation consultant (QRC) and has been a supervisor with VRU in the St. Paul, Minnesota, office for 13 years. He has been a QRC since 2007 and worked for a private rehabilitation firm before joining VRU.

Haire has more than 27 years of experience in workers' compensation, including telephonic case management for an insurance company in Texas and vocational case management in Ohio.

He received his bachelor's degree from St. Cloud State University and he earned his master's degree from Arizona State University.



**Michael Haire**

# Ask the ADR and Work Comp Campus pro

## DLI's Alternative Dispute Resolution unit answers frequently asked questions

By Brian Mak, director, Alternative Dispute Resolution

*Editor's note: The Alternative Dispute Resolution (ADR) unit at the Minnesota Department of Labor and Industry (DLI) seeks early intervention in workers' compensation disputes through conferences and mediations. It handles calls from the Workers' Compensation Help Desk and responds to questions from all stakeholders.*

**Q. I am an attorney and no longer representing a party. What do I need to do?**

**A.** Prepare your own Notice of Withdrawal (there is no Work Comp Campus webform for it) and upload it in Campus to the claims affected. It is recommended you also email the ADR unit, at [dli.workcomp@state.mn.us](mailto:dli.workcomp@state.mn.us), to ensure any notice of withdrawal on a claim is seen promptly. You should also file your notice with the Office of Administrative Hearings (OAH) in C-Track.

**Q. I am a legal secretary and I previously received automated notifications of new documents uploaded to claims or disputes, but I am no longer receiving those notifications. What can I do?**

**A.** The Campus team is working to understand the full scope of the issue so it can work to resolve it. At this time, law firms may also be able to create temporary workarounds to help automate notifications, such as creating an email forward within the firm to automatically forward email messages from Campus to legal staff members or listing legal staff members as a "Service of Process Designee" for the law firm's Campus group. Note: A "Service of Process Designee" will be served with and notified of every document service for any attorney in the firm.

**Q. Do I need to have access to a claim to initiate a dispute?**

**A.** Any Campus user can initiate a dispute even if they do not currently have access to the related "parent" claim. But, it is recommended attorneys file their Notice of Appearance or Notice of Representation on that claim to make clear for everyone they are the attorney and must be served with any documents. A Notice of Appearance or Notice of Representation must be filed at both DLI and OAH because Campus and C-Track are separate systems.

**Q. I filed a dispute with a claim shell because I could not locate a claim. Now I see the dispute is connected to a claim. What happened?**

**A.** When a dispute is received with a claim shell, DLI will research to determine if the appropriate claim already exists but was unable to be located for some reason. If it is located, the dispute will be connected to that claim. If there is no claim, DLI will reach out to the insurer and ask it to file a first report of injury, so a claim can be created and the dispute connected. A first report of injury is required to be filed under Minnesota Statutes § 176.231, subdivision 1(b)(1), when "any document initiating a dispute is filed under this chapter."



**Workers' Compensation  
HELP DESK**

## Discontinuing rehabilitation: A review of procedures

by Debra Heisick, Alternative Dispute Resolution

Effective Aug. 1 2024, Minnesota Statutes § 176.102, subdivision 13 (b), was amended to add a new paragraph to clarify notice provisions when discontinuing rehabilitation:

**(b) Once the employer or insurer has accepted liability for a claim and a rehabilitation plan has been approved, the employer or insurer may not discontinue payment of rehabilitation services until notice has been filed with the commissioner and served on the qualified rehabilitation consultant, the employee, and the attorney representing the employee, if any. The notice shall state the date of intended discontinuance and set forth a statement of facts clearly indicating the reason for the action. Copies of whatever medical reports or other written reports in the employer's or insurer's possession which are relied on for the discontinuance shall be attached to the notice.** [Emphasis added.]

The easiest and best way to accomplish compliance with the statute is by filing and serving a Request for Assistance (RFA) in Work Comp Campus. An adjuster or attorney can file the RFA with the statement of facts indicating the reason for the action inserted in the form and attach supporting documentation, such as independent medical examination reports or treating doctor's reports. The RFA can be served on all parties with a few clicks of a button in Campus. This triggers the certification process and, if the dispute is certified, an administrative conference will be set. Heaton fees may then attach.

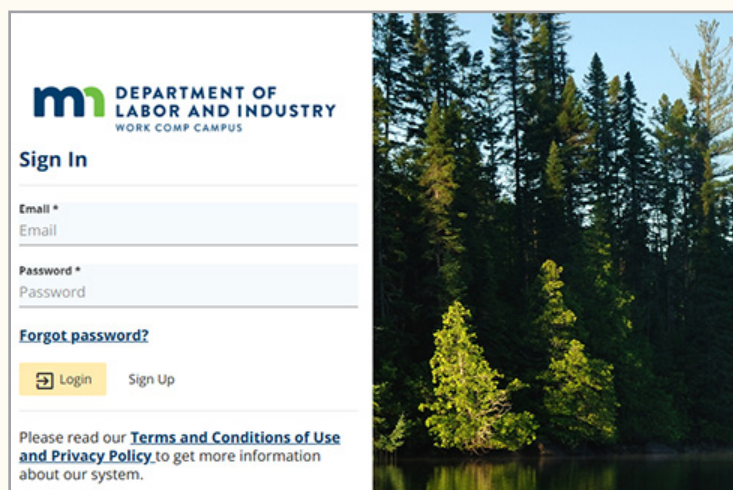
In the alternative, an adjuster or attorney can file a statutorily compliant letter with documentation in the appropriate Campus claim at the Department of Labor and Industry and serve the qualified rehabilitation consultant (QRC), the employee and the employee's attorney separately. If any party disagrees with the termination, the employee (if unrepresented), employee's attorney or QRC can file an RFA to trigger the certification process. If the dispute is certified, an administrative conference will be set and, again Heaton fees may then attach.

Keep in mind that an intent to deny future rehabilitation services cannot be imputed from simply filing an independent medical examiner's report stating the employee is at maximum medical improvement with no restrictions or permanent injury. Any filing must comply with each element of the statute to be effective.

In the event the employee is unrepresented at the time the notice letter or RFA is filed, but then obtains representation, it is not necessary to serve the employee's attorney after the fact to comply with Minn. Stat. § 176.102, subd. 13.

When any of the procedural rules are not followed, a decision on the merits is not possible until compliance is achieved. If the employee's attorney or QRC submits an RFA, a response by the employer or insurer containing all reasons and documents for the termination that is served on all necessary parties would be compliant with Minn. Stat. § 176.102, subd. 13(b). All QRC services provided under an approved rehabilitation plan prior to serving and filing the compliant notice would be payable.

Contact the Workers' Compensation Help Desk or the Alternative Dispute Resolution unit for further information about compliance with the notice requirement.





## From the *State Register*: Provider participation list available

Health care providers that provide medical services to an injured worker under the workers' compensation law are required to participate in the Medical Assistance Program and MinnesotaCare as a condition of receiving payment for treatment of the workers' compensation injury. (See Minnesota Statutes § 256B.0644 and Minnesota Rules, parts 5221.0500, subpart 1, and 9505.5200 to 9505.5240.)



The Department of Human Services (DHS) list of providers that participate in the Medical Assistance Program and MinnesotaCare is now available online. To see if a provider is on the list, check the Minnesota Health Care Programs (MHCP) provider directory at [mhcpproviderdirectory.dhs.state.mn.us](http://mhcpproviderdirectory.dhs.state.mn.us).

To obtain a full list of participating providers, call the DHS Provider Resource Center at 651-431-2700 or 800-366-5411 and request a work order to have the list sent to you. You may also mail the request to the Department of Human Services, Provider Eligibility and Compliance, P.O. Box 64987, St. Paul, MN 55164-0987.

## Translated webpages, materials, Language Line available via DLI website

The Department of Labor and Industry (DLI) posts its available translated materials online at [dli.mn.gov/translations](http://dli.mn.gov/translations). It has documents available in Chinese, Hmong, Karen, Somali and Spanish. A few other documents throughout the website are available in additional languages.

The DLI website now also provides Google Translate near the upper left corner of each page, allowing visitors to choose the language for the website text.

In addition, DLI has access to Language Line, a free language translation phone service for limited-English speakers. If DLI help is needed, view the contact information at [dli.mn.gov/about-department/about-dli/contact-us](http://dli.mn.gov/about-department/about-dli/contact-us), call and a DLI employee will get in touch with an interpreter in the needed language.



## Workers' compensation, Campus assistance available by phone, email

The Workers' Compensation Help Desk is available to answer basic questions related to workers' compensation or Work Comp Campus. It will also route more complex questions to subject matter experts within the Workers' Compensation Division. Live support is available 8 a.m. to 4:30 p.m., Monday through Friday (except holidays). Voicemail messages left outside of office hours will be responded to within 24 hours of the next business day.

- 651-284-5005 (press 3)
- 800-342-5354 (press 3)
- [helpdesk.dli@state.mn.us](mailto:helpdesk.dli@state.mn.us)



## WCRI report compares Minnesota with 17 other states

The Workers Compensation Research Institute's (WCRI's) most recent report for Minnesota, *CompScope Benchmarks for Minnesota, 2025 Edition*, was released in April. This report uses insurer claim files to compare Minnesota's medical payments, indemnity benefits and insurer expenses with those of 17 other states, including Iowa and Wisconsin, from 2017 to 2023. The report is available for purchase from the WCRI at [wcricenter.org](https://wcricenter.org).



### Some of the major findings

- Average costs for non-COVID-19 claims with more than seven days of lost time at three years' average maturity (2021 claims measured in 2024) were 16% lower in Minnesota than the median. Medical payments (-22%), indemnity benefits (-21%) and benefit delivery expenses (-18%) were all below the median.
- Among non-COVID-19 claims in Minnesota with more than seven days of lost time at one year maturity, total costs per claim annually increased 10% from 2021 to 2023, three percentage points higher than the median growth. Increased costs were measured in each of the main claim cost components:
  - indemnity benefits per claim annually increased 11.5% from 2021 to 2023;
  - medical benefits per claim annually increased 7.4% from 2021 to 2023; and
  - benefit delivery expenses per claim annually increased 11.6% from 2021 to 2023.
- Among non-COVID-19 claims in Minnesota with more than seven days of lost time at one year maturity, temporary disability duration annually increased by more than one week from 2021 to 2023.
- In 2023, among non-COVID-19 claims with more than seven days of lost time at one year maturity, Minnesota's average temporary disability weekly benefit was \$647 – higher than Iowa (\$632), Wisconsin (\$642) and Michigan (\$584), but lower than Illinois (\$664).
- Among non-COVID-19 claims with more than seven days of lost time at three-year maturity (2021 claims evaluated in 2024), Minnesota had the lowest percentage of claims with permanent partial or lump-sum payments, while the average payment per claim was higher than the median state among states with similar permanent partial disability benefit systems.



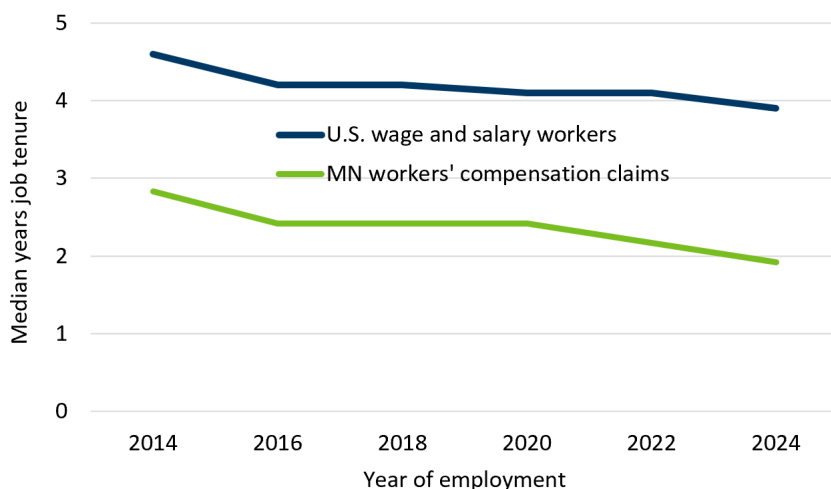
## CompFact: Trends in injured worker job tenure

Job tenure, the length of time between the date of hire and the date of injury, is a tool used to help policymakers understand how trends in employment affect injuries and illnesses and to evaluate the performance of safety training for new job hires. The Workers' Compensation Research Institute's (WCRI) *CompScope™ Benchmarks for Minnesota, 2025 Edition* shows that the percentage of claims with job tenure at injury of less than one year was higher in 2022 and 2023 in Minnesota and most states. Among non-COVID-19 claims with more than seven days away from work, WCRI found the share of newly hired workers increased from 34% in 2021 to 38% in 2022 and decreased slightly to 36% in 2023. Changes in the availability of work during the pandemic, the retirement of many older workers and the subsequent return to employment of many workers during the economic recovery likely affected the job tenure profile of injured workers.

This article looks at Minnesota non-COVID-19 workers' compensation indemnity claims with dates of injury from Jan. 1, 2014, through Oct. 21, 2024, and filed with the Department of Labor and Industry by Oct. 23, 2024. Unlike WCRI's claims, this article includes all filed claims with more than three days of disability, regardless of whether primary liability was accepted.

Figure 1 compares the median job tenure values for workers filing Minnesota workers' compensation claims and all U.S. wage and salary workers. The trend line for the median workers' compensation claims remained nearly two years less than the median for all wage and salary workers. Both trend lines show the median years of job tenure have fallen from 2014 to 2024 for their respective sets of workers, with a drop of 0.9 years for the workers' compensation claims and 0.7 years for all wage and salary workers.

**Figure 1. Median years of tenure with current employer for non-COVID-19 Minnesota workers' compensation claims and for all U.S. employed wage and salary workers**



Bureau of Labor Statistics, Employee Tenure in 2024, news release, Sept. 26, 2024.

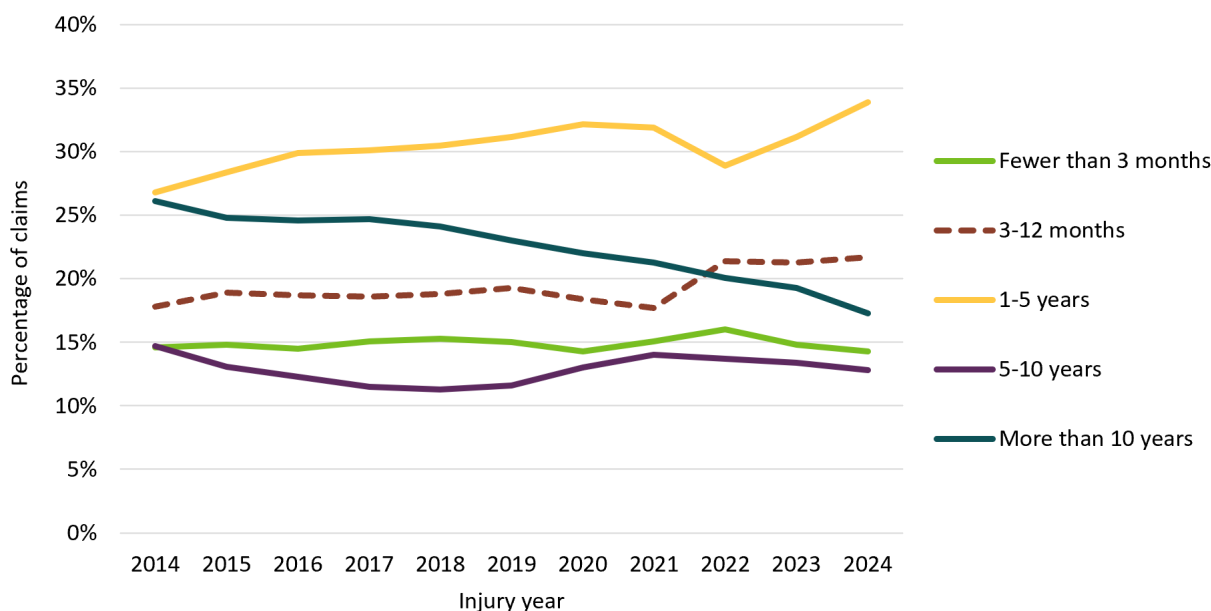
[bls.gov/news.release/pdf/tenure.pdf](https://www.bls.gov/news.release/pdf/tenure.pdf)

Figure 2 shows the annual distributions of job tenure for five job tenure categories among injured workers with filed claims. The most common job tenure category is for workers with one to five years of job tenure, which increased to 35% of the workers with 2024 claims. In recent years, the percentage of workers with three to 12 months job tenure increased. Also noticeable is the steady decrease in the percentage of injured workers with more than 10 years of job tenure, falling from 26% of the 2014 claims to 17% of the 2024 claims.

*CompFact*, continues ...

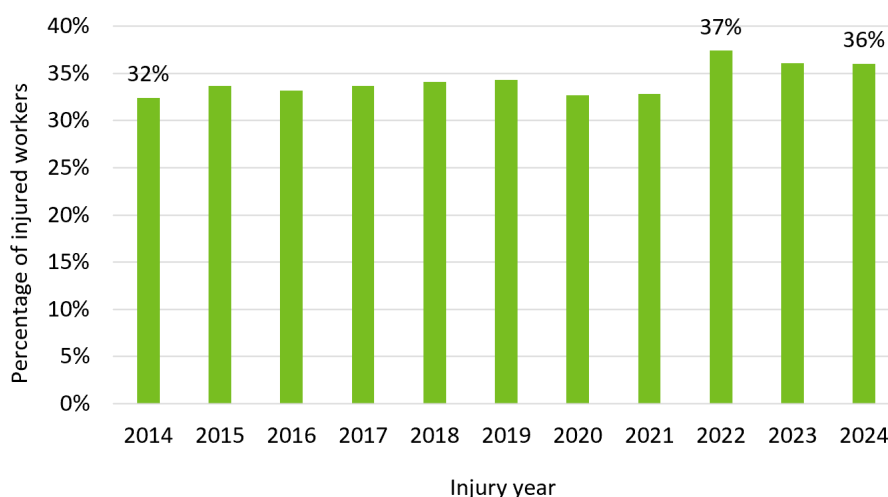
CompFact, continued ...

Figure 2. Percentage of workers' non-COVID-19 claims by job tenure



The percentage of injured workers with less than one year of job tenure increased to 37% in 2022 from 33% in 2021, and has remained at 36% for the past two years (Figure 3). This result confirms the findings reported by WCRI.

Figure 3. Percentage of injured workers with job tenure of less than one year, non-COVID-19 claims

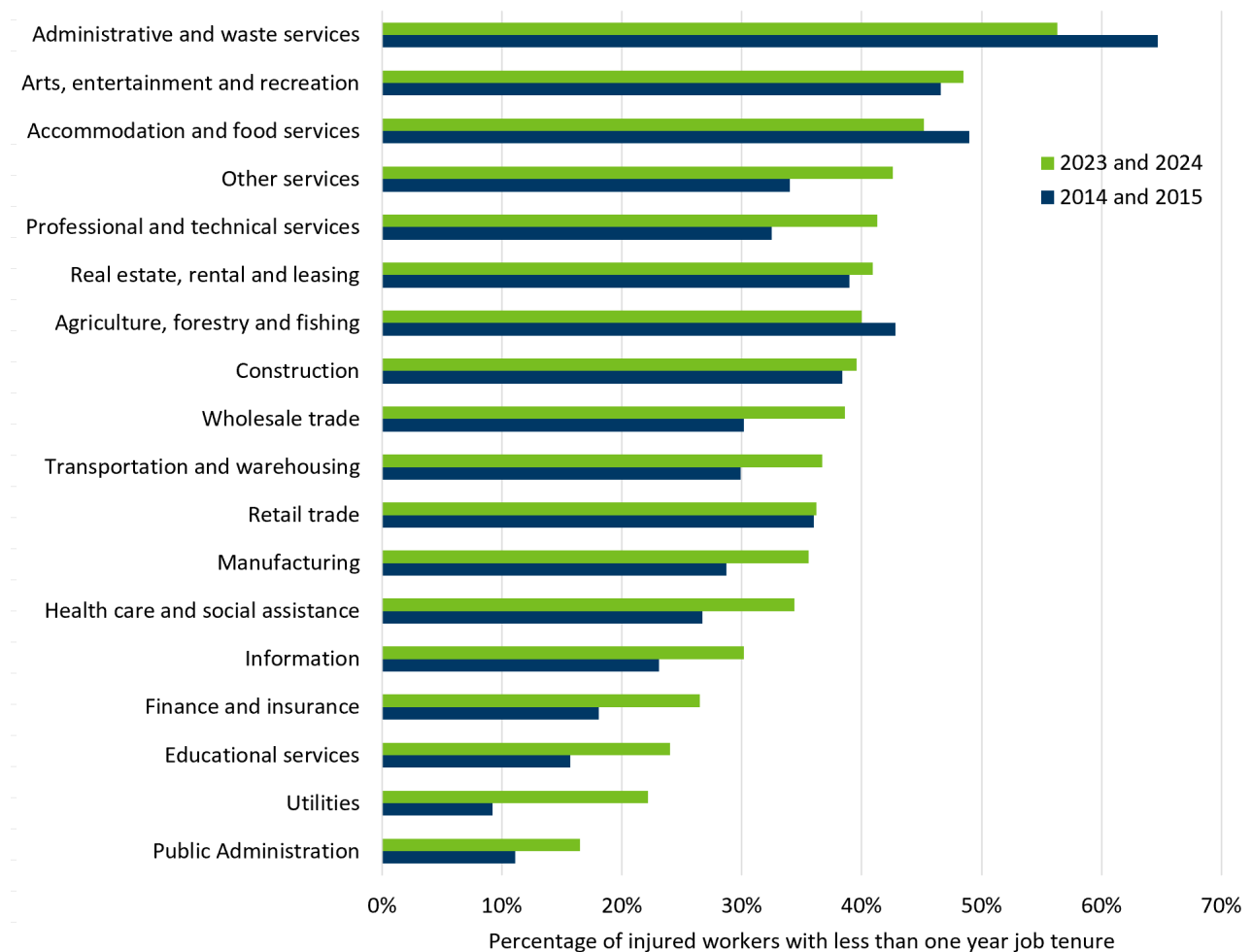


The percentage of injured workers with less than one year of job tenure also differs by industry. Figure 4 compares the percentage of workers with less than one year of job tenure for injury-years 2023 and 2024, with the percentage in 2014 and 2015 for the industry sectors with at least 150 claims filed in both two-year sets. Administration and waste services had the highest percentage of claims by first-year workers in 2023 and 2024 (56%), although this was an eight percentage point drop from 2014 and 2015. The other sectors with high percentages of first-year injured workers were arts, entertainment and recreation (49%) and accommodation and food services (45%). At the other extreme, only 17% of the public administration claims were from workers with less than one year of job tenure. The increased percentage of claims by workers with less than one year of job tenure is apparent in the comparison of the bar lengths, with 14 of the 18 sectors having higher percentages in 2023 and 2024 (the green bars) than in 2014 and 2015 (the blue bars). The percentages of 2023 and 2024 injured workers with less than one year of job tenure were at least five percentage points higher than the percentages in 2014 and 2015 for 11 industry sectors.

CompFact, continues ...



CompFact, continued ...

**Figure 4. Percentage of injured workers with job tenure of less than one year by industry sector, non-COVID-19 claims**

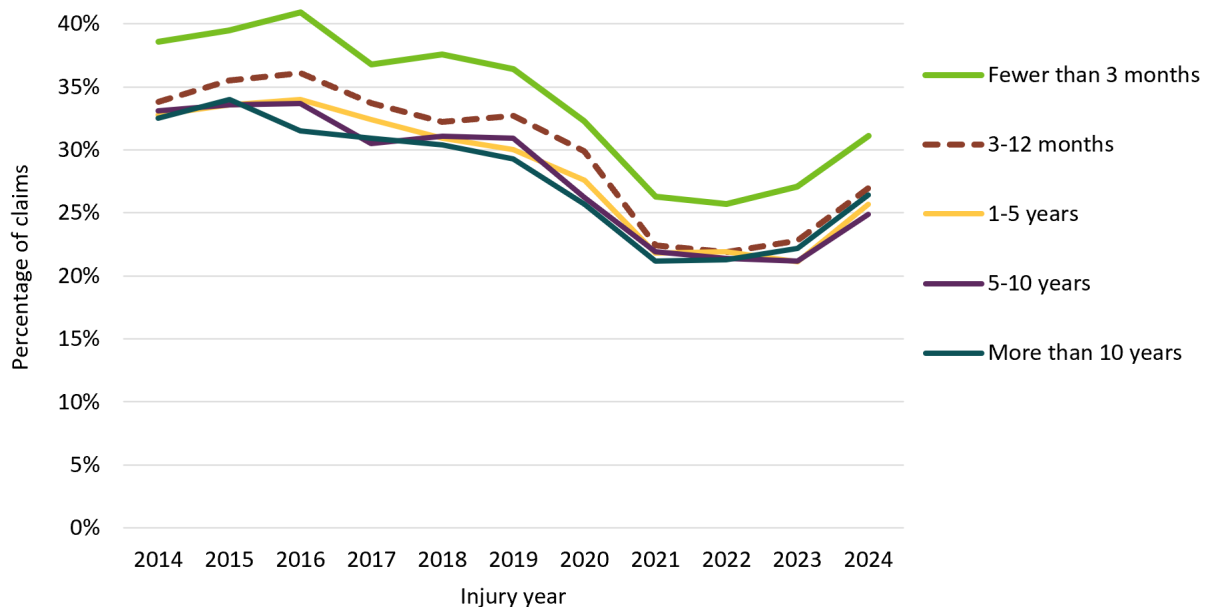
Note: Industry sectors with fewer than 150 total claims in both time periods were excluded.

Job tenure isn't just an interesting measure of injured workers, it shows workers' compensation claims for newly hired workers receive different treatment. Figure 5 shows newly hired workers have been less likely to receive wage-loss benefits for their reported injuries. This includes denied claims and claims with ongoing litigation. Workers with fewer than three months job tenure have had consistently higher non-payment rates than their longer-tenured coworkers. Workers with three to 12 months of job tenure, the dashed red line in Figure 4, had non-payment rates just one or two percentage points higher than workers with at least one year of job tenure, with the exception of 2022.

CompFact, continues ...

CompFact, continued ...

**Figure 5. Percentage of non-COVID-19 claims not in indemnity payment status by job tenure**



## Workers' compensation system report preliminary findings

The annual [Minnesota Workers' Compensation System Report](#), expected to be published in July, will present statistics about 2023 workers' compensation claims and trends for the preceding 20 years. The report uses the most recently available data from various sources; thus, different data years are presented for different measures. With the decline in COVID-19 claims, some of the estimates have started to return to pre-pandemic levels in injury-year 2023.

The report's preliminary findings include the following.

- The workers' compensation total paid claim rate fell 45%, from 6.3 claims per 100 full-time-equivalent (FTE) employees in 2003 to 3.5 in 2023, reaching the lowest level compared to any other reported year.
- The falling claim rate contributes to lower costs relative to payroll. Indemnity benefits per \$100 of payroll fell 38% and medical benefits per \$100 of payroll fell 50% from 2003 to 2023.
- The average cost of a 2022 workers' compensation claim was an estimated \$12,400 for medical and indemnity benefits combined (including vocational rehabilitation).
- The average pure premium rate for 2025 was estimated to be 41% lower than in 2003.
- The estimated total cost of Minnesota's workers' compensation system was \$1.80 billion for 2023, or \$0.91 per \$100 of payroll, indicating a decrease of 45% over 20 years.
- In 2023, on a current-payment basis, the three largest components of total workers' compensation system cost were medical benefits (33.5%), insurer expenses (32.7%) and indemnity benefits other than vocational rehabilitation (29.2%). Vocational rehabilitation benefits accounted for an estimated 2.6% of total workers' compensation system cost.

*Preliminary findings, continues ...*

**Preliminary findings**, continued ...

- With COVID-19 claims included, an estimated 85% of all paid indemnity claims received total disability benefits (temporary total and permanent total combined) in 2023. The proportion receiving the other benefit types was 22% for temporary partial disability (TPD) benefits, 21% for settlement benefits and 12% for permanent partial disability (PPD) benefits.
- With COVID-19 claims included, average duration of total disability benefits was 12.9 weeks for 2023 claims, returning to pre-pandemic levels after a decline in 2020 through 2022 due to the shorter duration of most COVID-19 claims.
- Adjusted for wage growth and with COVID-19 claims included, total disability benefits per paid indemnity claim fell 27% and TPD benefits per indemnity claim fell 37% from 2019 to 2022, but both increased to pre-pandemic levels in 2023, mainly due to changes in the number of COVID-19 claims during that period. PPD benefits per indemnity claim fell 32% from 2019 to 2023; the long-term decline in average PPD benefits was partly offset by the increases in statutory benefit levels in 2018 and 2023.
- Participation in vocational rehabilitation rose from 21% of paid indemnity claims in injury-year 2003 to 24% in 2019, but decreased slightly to 23% among non-COVID-19 indemnity claims in 2023. The 2023 vocational rehabilitation participation rate was 22% with COVID-19 indemnity claims included.
- Adjusted for average wage growth, the \$10,050 average cost of vocational rehabilitation services for injury-year 2023 was 20% below the 2008 peak of \$12,490.
- The average time from injury to the start of vocational rehabilitation services fell from 8.2 months in injury-year 2004 to 5.2 months in 2023.
- The estimated percentage of vocational rehabilitation participants with a reported job at plan closure decreased from 60% in 2023 to 57% in 2024.
- The dispute filing rate was 17.0% for non-COVID-19 claims and 0.3% for COVID-19 claims in 2023.
- The number of dispute filings for the four major types of disputes combined – claim petitions, discontinuance disputes, medical requests and rehabilitation requests – decreased 18% from 2019 to 2024, and 14% from 2023 to 2024.

## Subscribe to DLI's email newsletters

Did you know the Department of Labor and Industry offers more than two dozen email lists you can subscribe to to receive news targeted to specific groups? (If you are reading this, you are probably on the *COMPACT* email list.)

Lists related to workers' compensation news include:

- |                                    |                             |
|------------------------------------|-----------------------------|
| • Adjusters updates                | • Attorney updates          |
| • <i>COMPACT</i>                   | • <i>Campus Connect</i>     |
| • Employer updates                 | • Medical providers updates |
| • Rehabilitation providers updates | • Trading partner updates   |



Other email lists are available for:

- |   |   |
|---|---|
| • <i>Labor and Industry News</i>                    | • Apprenticeship, dual-training and Youth Skills Training |
| • Construction codes, licensing and building trades | • Labor standards, worker rights, wage and hour           |
| • Minnesota OSHA and workplace safety               | • Rulemaking  |

To learn more about the available email lists, visit [dli.mn.gov/about-department/news-and-media/sign-news-department-labor-and-industry](https://dli.mn.gov/about-department/news-and-media/sign-news-department-labor-and-industry).

## Be a part of Workplace Rights Week 2025

The Minnesota Department of Labor and Industry (DLI) has started planning the second annual Workplace Rights Week, taking place Sept. 21 through 27, 2025. The week is an opportunity to educate workers and employers across Minnesota about their rights and responsibilities on the job. Safe and healthy workplaces make our economy and communities strong and it is important Minnesotans know and are empowered to assert those rights.



In 2024, DLI launched the first-ever Workplace Rights Week, during which DLI staff members visited 1,243 businesses in 29 cities, hosted webinars with partners and joined Lt. Gov. Peggy Flanagan at a worksite event to increase awareness of workplace rights in Minnesota. The first year was a success and 2025 is expected to be even bigger.

We invite you to join us in this effort. DLI is looking to partner with organizations to host webinars, distribute educational materials or host other events. If you want to collaborate with us or plan your own event during Workplace Rights Week 2025, email Diana Salas at [diana.salas@state.mn.us](mailto:diana.salas@state.mn.us).

To see what is already planned for Workplace Rights Week 2025, visit [dli.mn.gov/rights-week](https://dli.mn.gov/rights-week).

## Register today for MWCIA, WCRA Minnesota Work Comp Forum, Oct. 14

Get ready for an unparalleled experience at the one-day Minnesota Work Comp Forum on Tuesday, Oct. 14, in celebration of the core of the Minnesota workers' compensation community. The Minnesota Workers' Compensation Insurers Association (MWCIA) and the Workers' Compensation Reinsurance Association (WCRA) have united to bring you an unforgettable day of learning and networking.

This is your chance to immerse yourself in dynamic sessions led by industry trailblazers, connect with fellow professionals from both local and regional backgrounds, and deepen your expertise in this essential field. Whether you are aiming to elevate your skills or forge valuable connections, this event is a must.

[Register now and watch for](#) exciting updates about the distinguished sponsors, exhibitors and speakers committed to enhancing your experience.



## QRC intern, vendor, supervisor orientation training registration opens

Registration is now open for qualified rehabilitation consultant (QRC) intern, vendor and supervisor orientation and refresher training.

- **When:** Monday, Aug. 11, 2025, 7:30 a.m. to 4:15 p.m.
- **Where:** Minnesota Room, Department of Labor and Industry, 443 Lafayette Road N., St. Paul MN

This in-person orientation and training session is for QRC interns, QRC intern supervisors, newly registered job-placement vendors, rehabilitation providers re-entering the field and registered rehabilitation providers interested in refreshing their

*Training, continues ...*



*Training*, continued ...

skills. QRC interns must complete this training within one year of starting their intern cycle. Seven CRC and CDMS continuing education credits will be available for individuals participating in the training. Registration for the event is open until June 30.

Topics covered during the training include:

- Workers' compensation 101
- Medical aspects
- A vendor's perspective
- How to work effectively with an interpreter
- Working as a rehabilitation provider
- Rehabilitation consultation and ethics
- Registration, renewal and completion of internship
- Litigation procedures at DLI

For more information or to register, visit the [WC training for rehabilitation providers](#) webpage or contact Jordan Trumbo at 651-284-5153 or [jordan.trumbo@state.mn.us](mailto:jordan.trumbo@state.mn.us).

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## Workers' compensation events calendar

**Note: Event dates may change. Always check the online calendar at [dli.mn.gov/about-department/about-dli/events-workers-compensation](https://dli.mn.gov/about-department/about-dli/events-workers-compensation).**

### July 2025

July 10	Rehabilitation Review Panel
July 17	Medical Services Review Board

### August 2025

Aug. 11	QRC intern, vendor, supervisor orientation
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### September 2025

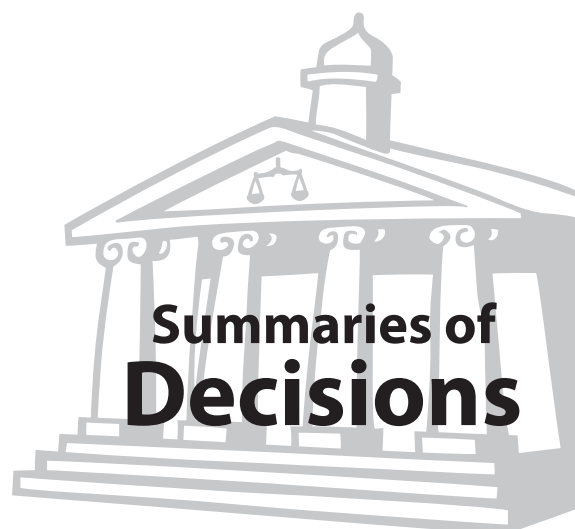
Sept. 17	Workers' Compensation Insurers' Task Force
Sept. 21-27	Workplace Rights Week

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# Workers' Compensation Court of Appeals

February through April 2025

Case summaries published are  
those prepared by the WCCA



***Clarence Johnson v. A Touch of Class Painting, Inc., Feb. 7, 2025***

## **Vacation of Award – Fraud**

Where the petitioner has not shown any false representations were made during the settlement process and has made the same allegation in a previous petition to vacate, the petitioner has not shown good cause to vacate the award on stipulation.

## **Vacation of Award – Substantial Change in Condition**

Where the petitioner has not presented new evidence to support a substantial change in medical condition and has made the same claim in prior petitions to vacate, the petition to vacate is denied.

## **Penalties**

The petitioner has not presented evidence to support a claim for penalties.

## **Penalties**

This court does not have jurisdiction to award civil damages under Minnesota Statutes § 176.82.

Petition to vacate denied.

***Daniel Krumsieg v. Bloomington Metro Mitsubishi, Feb. 24, 2025***

## **Causation – Consequential Injury**

Substantial evidence in the record including well-founded expert medical opinion supports the compensation judge's finding that the employee's obesity, high cholesterol, sleep apnea and low testosterone conditions are not causally related to the employee's work injury in the nature of a traumatic brain injury.

## **Evidence – Expert Medical Opinion**

The compensation judge did not err in adopting the opinion of a medical expert which was based on enough facts to form a reasonable opinion that was not based on speculation or conjecture.

### **Evidence – Undisclosed Evidence**

The compensation judge did not abuse her discretion in declining to impose a sanction for alleged spoliation of evidence where a medical expert destroyed notes and draft reports, because there was no duty to retain those documents and because the employee failed to demonstrate relevance or prejudice.

### **Permanent Partial Disability**

The compensation judge's finding that the employee did not qualify for a higher permanency rating is supported by substantial evidence in the record, including well-founded expert medical opinion and the deposition testimony of the employee's spouse related to the amount of assistance the employee requires to perform activities of daily living as required under the applicable rule.

Affirmed.

*Lynda Edelman-Hoecherl v. Minneapolis Public Schools, Feb. 26, 2025*

### **Permanent Total Disability – Substantial Evidence**

Substantial evidence, including expert medical opinion and expert vocational opinion, supports the finding that the employee is not permanently and totally disabled.

### **Permanent Total Disability – Job Search**

The compensation judge's conclusion that a job search was not futile is substantially supported by the record in this case, where the employee had been released to work with restrictions, a vocational expert opined that the employee was able to work in positions available for which the employee had required experience and skills, and the employee obtained part-time employment for a limited period.

### **Permanent Total Disability – Maximum Medical Improvement**

The employee's medical records and opinion of the employee's treating physician supports the judge's finding that maximum medical improvement has not yet been reached, and that finding supports the conclusion that the employee has not demonstrated permanent total disability.

### **Permanent Total Disability – Insubstantial Income**

Where the employee earned a consistent wage of \$17.10 per hour for 3.75 hours per day, five days per week, there was substantial evidence to support the conclusion that she was capable of earnings that were not insubstantial in the context of permanent total disability.

Affirmed.

*Maati Grouni v. Transdev, Inc., March 5, 2025*

### **Evidence – Expert Medical Opinion**

Substantial evidence in the record, including a well-founded medical expert opinion, supports the compensation judge's finding that the employee did not suffer a specific injury, or an aggravation or acceleration of his pre-existing low back condition, while working for the employer on Feb. 28, 2022.

Affirmed.

***Jermain English v. Reliable Property Services, March 12, 2025*****Evidence – Credibility**

A compensation judge's finding that the employee testified credibly is upheld when it is not manifestly contrary to the evidence when viewed as a whole.

**Arising Out Of And In The Course Of – Prohibited Act**

The employee is not precluded from workers' compensation benefits when the employer and insurer failed to meet their burden of proving that the employee violated an expressly prohibited policy, failed to prove that any such policy existed, failed to prove that any such policy was unequivocally communicated to the employee, or any such policy was enforced against other employees.

**Maximum Medical Improvement – Multiple Conditions**

The compensation judge did not err in finding that the employee has not reached maximum medical improvement when there is no evidence that the employee reached maximum medical improvement for all conditions related to the work injury.

**Wages – Seasonal Work****Wages – Calculation**

Where the employee's hours of work are affected by seasonal conditions, the employee is a "seasonal worker" pursuant to Minnesota Statutes § 176.011, subdivision 8a, and is entitled to the five times the daily wage multiplier when calculating weekly wage.

Affirmed as modified.

***Abdulaziz Ahmed v. Avis Budget Group, Inc., March 19, 2025*****Causation – Substantial Evidence**

Substantial evidence, including medical records and expert medical opinion, supported the compensation judge's determination that the employee did not sustain a left shoulder injury, and as to the nature and extent of the employee's back injury.

Affirmed.

***Joanne L. Hitchins v. Federal Express Corporation, March 28, 2025*****Attorney Fees – Contingent Fees**

Where an employee's attorney had negotiated a settlement for the employee which the employee agreed to after the attorney-client relationship had ended, the compensation judge did not err by awarding contingency fees to the former attorney.

Affirmed.



***Wilmer Castillo v. Loma Bonita Supermercado, April 1, 2025*****Appeals – Interlocutory Order**

The appeal from the compensation judge's order denying the employee's request for formal hearing is not appealable and, therefore, the court dismisses the appeal.

**Appeals – Scope of Review**

The Workers' Compensation Court of Appeals does not have statutory authority to provide equitable remedies under the Workers' Compensation Act.

**Jurisdiction – Subject Matter**

The Workers' Compensation Court of Appeals does not have statutory authority to address constitutional issues raised on appeal.

Dismissed.

***Robert P. Mike, Jr. v. CBI Services, April 1, 2025*****Settlements – Scope**

A workers' compensation settlement agreement making a third-party annuity payor the sole responsible party for paying benefits does not preclude imposition of penalties on the employer and insurer for nonpayment of benefits where the terms of the agreement do not meet the requirements of Minnesota Statutes § 176.171.

**Jurisdiction – Subject Matter**

Workers' compensation courts have jurisdiction to consider a claim of penalties for nonpayment of workers' compensation benefits regardless of the existence of a cause of action outside of the Workers' Compensation Act.

Vacated in part, affirmed in part and remanded.

***Pamela Beguhl v. Bridgeway to Independence, Inc., April 11, 2025*****Evidence – Burden of Proof**

The compensation judge did not err in finding that the employer and insurer did not prove by a preponderance of the evidence that the employee's work-related injury was temporary and fully resolved and in choosing to disregard the opinion of the employer and insurer's medical expert.

Affirmed.

***Martin Austin v. Dayton Rogers Manufacturing Company, April 28, 2025*****Evidence – Expert Medical Opinion**

When the opinions of the medical experts have adequate foundation and are supported by substantial evidence in the record, the compensation judge's choice between competing medical expert opinions will be upheld.

**Practice and Procedure – Intervention**

The denial of intervention claims filed after the close of the record and not properly considered by a compensation judge must be vacated and remanded for factual findings.

**Practice and Procedure – Intervention**

The compensation judge did not err in her denial of intervention claims that were not related to the issues raised in the medical request.

Affirmed in part, modified in part, and vacated and remanded in part.

# Minnesota Supreme Court

*February through April 2025*

Case summaries published are  
those prepared by the WCCA



## ***Dawn Simonson v. Douglas County, April 16, 2025***

**Evidence – Burden of Proof**  
**Permanent Total Disability – Retirement**  
**Statutes Construed – Minnesota Statutes § 176.101, Subdivision 4**

To receive permanent total disability workers' compensation benefits after age 67, an employee must rebut the retirement presumption in Minnesota Statutes § 176.101, subdivision 4 (2016), by a preponderance of the evidence.

**Permanent Total Disability – Retirement**  
**Statutes Construed – Minn. Stat. § 176.101, Subd. 4**

Whether an employee rebuts the retirement presumption in Minn. Stat. § 176.101, subd. 4 (2016), is determined by weighing case-specific factors.

Affirmed in part, reversed in part and remanded to the compensation judge.

## ***Rodney Dean Bjornson v. McNeilus Companies, Inc., April 30, 2025***

Considered and decided by the court without oral argument.

Reversed and remanded.