Workers’ compensation 101
Workers’ compensation basics

• Workers’ compensation is a no-fault system.

• A work-related injury can be a condition that is caused, aggravated or accelerated by employment activities.

• Workers’ compensation benefits include:
  ▪ wage replacement;
  ▪ compensation for the loss of use of a part of the body;
  ▪ medical benefits; and
  ▪ vocational rehabilitation services.
Temporary total disability (TTD)

- TTD is payable when an employee is totally unable to work.
- The TTD weekly rate is two-thirds of the employee’s average weekly wage (AWW).
  - Example: An AWW of $300, multiplied by two-thirds = $200 nontaxable income.
  - The weekly TTD rate is subject to minimums and maximums.
- For dates of injury (DOI) occurring on or after Oct. 1, 2008, a maximum of 130 weeks of TTD are payable unless retraining is approved.
- Discontinuance of TTD benefits does not necessarily result in a hold or closure of the rehabilitation plan.
Temporary partial disability (TPD)

- TPD benefits are payable to employees who, because of their work injury, are earning less than their AWW.

- TPD is payable at two-thirds of the wage loss relative to the AWW.
  - Example: An AWW of $600 minus $150 (reduced earnings) = $450 wage loss; $450 multiplied by two-thirds = $300 nontaxable income.

- For DOI from Oct. 1, 1992, through Sept. 30, 2018, TPD is limited to 225 weeks of paid benefits or 450 weeks after the date of injury.

- For DOI on or after Oct. 1, 2018, TPD is limited to 275 weeks of paid benefits or 450 weeks after the date of injury.

- Discontinuance of TPD benefits does not necessarily result in a hold or closure of the rehabilitation plan.
Permanent partial disability (PPD)

• The PPD rating cannot exceed 100% of the whole body for any one injury.

• PPD benefits can be paid concurrently with TPD and permanent total disability (PTD) benefits.
  ▪ However, PPD benefits are **not** paid concurrently with TTD benefits.
Medical benefits

• Dependent on the employee’s needs, any number of providers, including specialists, may provide treatment, examples of which are:
  ▪ physical, chiropractic, occupational or vision therapy;
  ▪ surgery;
  ▪ chronic pain programs;
  ▪ medications; and
  ▪ dental.

• Cessation or termination of other benefits, including rehabilitation services, does not automatically affect eligibility for medical coverage.
Maximum medical improvement (MMI)

• Maximum medical improvement means the date after which no further significant recovery from or significant lasting improvement to a personal injury can reasonably be anticipated, based upon reasonable medical probability, irrespective and regardless of subjective complaints of pain. See Minnesota Statutes 176.011.

• This does not automatically stop rehabilitation services from being provided to the employee.

• An employee’s TTD benefits may end 90 days after the employee is served by the insurer with a written report of MMI.

• QRCs are not to ask providers if the employee is at MMI or request medical records of treatment prior to the DOI because these requests are the responsibility of the claim administrator.
<table>
<thead>
<tr>
<th>Field</th>
<th>Information</th>
</tr>
</thead>
<tbody>
<tr>
<td>WD</td>
<td>EE-414-164-025</td>
</tr>
<tr>
<td>Date of Injury</td>
<td>02/01/2019</td>
</tr>
<tr>
<td>Employee Name</td>
<td>Murial Finkler</td>
</tr>
<tr>
<td>City</td>
<td>St Paul</td>
</tr>
<tr>
<td>State</td>
<td>Minnesota</td>
</tr>
<tr>
<td>Zip Code</td>
<td>55105</td>
</tr>
<tr>
<td>Employer</td>
<td>Third Street Elementary School</td>
</tr>
<tr>
<td>Employer Contact Person</td>
<td>Bill</td>
</tr>
<tr>
<td>Title of Job</td>
<td>Administrative Assistant</td>
</tr>
<tr>
<td>Insurer</td>
<td>MSP Insurer</td>
</tr>
<tr>
<td>Insurer Address</td>
<td>123</td>
</tr>
<tr>
<td>City</td>
<td>St Paul</td>
</tr>
<tr>
<td>State</td>
<td>Minnesota</td>
</tr>
<tr>
<td>Zip Code</td>
<td>55155</td>
</tr>
<tr>
<td>Average Weekly Wage at Date of Injury</td>
<td>$600.00</td>
</tr>
<tr>
<td>Number of Days of Disability</td>
<td>50 Days</td>
</tr>
<tr>
<td>Reason for Filing the Disability Status Report:</td>
<td>Yes</td>
</tr>
<tr>
<td>Was Consultation Requested?</td>
<td>Yes</td>
</tr>
<tr>
<td>Is the Employee Being Referred for Consultation?</td>
<td>Yes</td>
</tr>
<tr>
<td>QRC Code</td>
<td>Ancil Rehab</td>
</tr>
<tr>
<td>Name of Insurer Representative Completing Form</td>
<td>Melissa Claxton</td>
</tr>
<tr>
<td>Phone Number</td>
<td>(651) 284-3333</td>
</tr>
<tr>
<td>Extension</td>
<td></td>
</tr>
<tr>
<td>Date Served on Employee</td>
<td>1/20/2021</td>
</tr>
</tbody>
</table>
INSTRUCTIONS TO INSURER

The Disability Status Report (DSR) is used to notify parties that you are either referring the injured worker for a rehabilitation consultation or requesting a waiver of the consultation. The DSR, with the treating physician’s work ability report, must be mailed to the injured worker and filed with the Department of Labor and Industry:

- Within 14 calendar days of knowledge that the employee’s temporary total disability is likely to exceed 13 cumulative weeks; or
- Within 90 calendar days of the date of injury when the employee has not returned to work following a work injury; or
- Within 14 calendar days after receiving a request for a rehabilitation consultation, whichever is earlier; or
- Within 14 calendar days of expiration of an approved waiver of rehabilitation services.

To Refer for a Rehabilitation Consultation:

If you are referring the injured worker for a rehabilitation consultation, send a copy of the DSR form, the First Report of Injury and the treating physician’s work ability report to the QRC prior to the consultation pursuant to Minn. Rule 5220.0130, subp. 3(a). Fill in the name of the QRC on the form and indicate which party requested the consultation. If the employee requested the consultation, fill in the date of the request.

To Request a Waiver of a Rehabilitation Consultation:

M.S. § 176.102, subd. 4 and Minn. Rules 5220.0110 and 5220.0120 provide that the commissioner may grant a waiver of a rehabilitation consultation to an otherwise qualified employee if there is documentation that the employee will return to suitable gainful employment within 90 calendar days after the request for waiver is filed. A waiver will be denied if no documentation is submitted showing that a suitable job offer within the treating doctor’s restrictions has been made. A waiver will also be denied if a consultation has been requested.

If you are requesting a waiver, attach the following documentation:

- Report of Work Ability or other medical report with the same information from the treating doctor which indicates that the employee will be released to return to work within 90 calendar days after the request for waiver is filed and specifying the employee’s work restrictions in functional terms.
- Written offer of suitable gainful employment signed by the employer that is within the treating doctor’s restrictions to which the employee will return within the timeframe indicated above. Include one of the following:
  - If the employer is offering the employee his/her date-of-injury job, any modifications of the job to accommodate the employee’s restrictions must be noted.
  - If the written offer of suitable gainful employment (which does not include temporary, light-duty) is for a different job with the date-of-injury employer, the offer must include the job title, job environment, work tasks, weekly wage, physical, mental and educational demands of the job, and/or employer modifications of the job to accommodate the employee’s restrictions.

INSTRUCTIONS TO EMPLOYEE

If you have a question about this form or rehabilitation services, call the Workers’ Compensation Division at 1-600-342-5354 or 651-284-6002.

This material can be made available in different forms, such as large print, Braille or audio. To request, call 651-284-5353 or 1-800-342-5354 Voice or TDD (651) 297-4198.

ANY PERSON WHO, WITH INTENT TO DEFRAUD, RECEIVES WORKERS’ COMPENSATION BENEFITS TO WHICH THE PERSON IS NOT ENTITLED BY KNOWINGLY MISREPRESENTING, MISSTATING, OR FAILING TO DISCLOSE ANY MATERIAL FACT IS GUILTY OF THEFT AND SHALL BE SENTENCED PURSUANT TO SECTION 609.52, SUBSECTION 3.
Report of Work Ability

This form must be provided to the employee.

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

WID number or SSN 123456789
Date of birth 03/04/2020
Date of birth 03/21/2020

Employee: PAT WILLIAMS
Employer: COMPANY ABC
Insurer/Injured Party: INSURANCE MUTUAL
Insurer claim number: WC 0001-0401

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

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

1. [ ] Employee is able to work without restrictions as of [date]
2. [ ] Employee is able to work with restrictions, from [date] to [date]
   The restrictions are:
   ___________________________________________________________
   ___________________________________________________________
   ___________________________________________________________
3. [x] Employee is unable to work from 11/18/2020 [date] to 12/18/2020 [date]

The next scheduled visit is [ ] as needed OR

Name (Type or Print)  
Address 444 OTHER STREET  
City PEACEFUL VALLEY  
State  
ZIP code  
Phone # [include area code]  
Date signed 11/18/2020
Permanent total disability

- **Vocationally permanent** — qualified rehabilitation consultants (QRCs) and vocational experts need to consider both medical and vocational factors.

- **Medically permanent** — a doctor opining medically permanent is not a guarantee of payment of PTD benefits. Closing rehabilitation based upon this may not be appropriate.

- **Job search** — while not required, it is most often done as part of the PTD determination process.

- Effective Oct. 1, 2018, Minn. Stat. 176.101, subdivision 4, was changed to: “Permanent total disability shall cease at age 72, except that if an employee is injured after age 67, permanent total disability benefits shall cease after five years of those benefits have been paid.”

- **Note**: This applies to DOI on or after **Oct. 1, 2018**.
Dependency benefits and rehabilitation

• Where an injury results in the death of the injured worker, rehabilitation benefits may be provided to the dependent surviving spouse in need of rehabilitation assistance to become self-supporting.
Time limit to request retraining

Any request for retraining must be filed with the department.

• For DOI from Oct. 1, 2000, through Sept. 30, 2008:
  ▪ **before 156 weeks** of TTD and/or TPD benefits have been paid.

• For DOI on or after Oct. 1, 2008 (Minn. Stat. 176.102, subd. 11 (c)):
  ▪ **before 208 weeks** of TTD and/or TPD benefits have been paid.
Notification to injured worker for request for retraining

• The employer or insurer must notify the employee in writing of this benefit.

• For DOI on or after Sept. 1, 1995, before 80 weeks of TTD or TPD benefits have been paid.

• If the notice is not issued, the time period to request retraining is extended by the number of days the notice is late.

• In no event may the employee’s retraining request be filed later than 225 weeks of any combination of TTD and TPD.
Rehabilitation provider fees — Oct. 1, 2021

• The QRC maximum hourly rate is $115.91.
• The QRC intern hourly rate is $10 less than the firm’s QRC hourly rate.
• The vendor maximum hourly rate is $92.83.
• Wait and travel time hourly rates:
  ▪ wait time is half of the QRC hourly rate, if at maximum, $57.96; and
  ▪ travel time is three-quarters of the QRC hourly rate, if at maximum, $86.93.
• The insurer payment of QRC and vendor bills shall be no later than 30 days after receipt.

## Rehabilitation provider fees

### Vocational rehabilitation maximum fees

<table>
<thead>
<tr>
<th>Effective date</th>
<th>Rehabilitation annual adjustment for hourly fees</th>
<th>Max QRC hourly fee (pay this fee or provider rate, whichever is lower)</th>
<th>Max job development and placement fee (pay this fee or provider rate, whichever is lower)</th>
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</thead>
<tbody>
<tr>
<td>10/1/2020</td>
<td>2.88%</td>
<td>$112.53</td>
<td>$90.13</td>
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<tr>
<td>10/1/2021</td>
<td>3.00%</td>
<td>$115.91</td>
<td>$92.83</td>
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### Mileage reimbursement (personal car)

<table>
<thead>
<tr>
<th>Effective date</th>
<th>Cents per mile</th>
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</thead>
<tbody>
<tr>
<td>1/1/2020</td>
<td>57.5</td>
</tr>
<tr>
<td>1/1/2021</td>
<td>56.0</td>
</tr>
<tr>
<td>1/1/2022</td>
<td>58.5</td>
</tr>
</tbody>
</table>

QRC R-form penalties

• Minnesota workers’ compensation law requires R-forms to be filed.
  ▪ Keep your rehabilitation plan up to date.
  ▪ Use a “tickler” system so R-forms and reports get filed on time.

• Contact DLI regarding missing or incorrect R-forms.
This email is to alert you that a Projected Completion Date has passed and either a Rehabilitation Plan Amendment (R3) to extend the plan, or a Notice of Rehabilitation Plan Closure (R8) should be filed immediately.

This relates to injured employee D S, and case RT-00-xxxx, whose injuries occurred on 10/23/2019. If the Department does not receive the above required form(s) within 21 days of this request, you may be subject to a penalty up to $1,000.00 (Minn. Stat. § 176.231, subd. 10, and Minn. R. 5220.2830, subp. 2). Repeated failure to file forms with the Department may result in a referral for discipline (Minn. Stat. § 176.102, subd. 3a, and Minn. R. 5220.1806).

If you need further assistance, contact the Workers' Compensation Hotline at 651.284.5005, option 3 or helpdesk.dli@state.mn.us.

Minnesota Department of Labor and Industry
443 Lafayette Road N., St. Paul, MN 55155
Web: www.dli.mn.gov
Minnesota Rules 5220.2830

DLI may assess a penalty for failure to file a required report if the following occur.

<table>
<thead>
<tr>
<th>Filed/received past due date (required form)</th>
<th>Penalty assessed</th>
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</thead>
<tbody>
<tr>
<td>More than 30 days</td>
<td>$125.00</td>
</tr>
<tr>
<td>More than 90 days</td>
<td>$375.00</td>
</tr>
<tr>
<td>More than 180 days</td>
<td>$500.00</td>
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</table>

<table>
<thead>
<tr>
<th>Filed/received past due date (report on a form request by MN DLI)</th>
<th>Penalty assessed</th>
</tr>
</thead>
<tbody>
<tr>
<td>More than 21 days</td>
<td>$125.00</td>
</tr>
<tr>
<td>Failure to respond to second request</td>
<td>$375.00</td>
</tr>
<tr>
<td>Failure to respond to a subsequent request</td>
<td>$500.00</td>
</tr>
</tbody>
</table>
Possible insurer penalty situations

- **176.231, subd.1. Time limitation.** (a) Where death or serious injury occurs to an employee during the course of employment, the employer shall report the injury or death to the commissioner and insurer within 48 hours after its occurrence. Where any other injury occurs which wholly or partly incapacitates the employee from performing labor or service for more than three calendar days, the employer shall report the injury to the insurer on a form prescribed by the commissioner within ten days from its occurrence.

- (b) An insurer and self-insured employer **shall report the injury to the commissioner no later than 14 days from its occurrence.** If an injury has not previously been required to be reported, the insurer or self-insured employer must report the injury to the commissioner, in the manner and format prescribed by the commissioner, no later than 14 days after the date that:
  - (2) a rehabilitation consultation report or a rehabilitation plan is filed under this chapter; or
Thank you