

# 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.
- System 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

- Temporary total disability (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: **AWW of \$300, multiplied by two-thirds = \$200 non-taxable 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

- Temporary partial disability (TPD) benefits are payable to employees who, because of their work injury, are earning less than their average weekly wage.
- TPD is payable at two-thirds of wage loss relative to AWW.
  - Example: **\$600 (AWW) - \$150 (reduced earnings) = \$450 wage loss.**  
**\$450 multiplied by two-thirds = \$300 non-taxable income.**
- For DOI on or after 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

- The permanent partial disability (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, they are **not paid concurrently** with TTD benefits.

# Medical benefits

- Dependent upon the employee's needs, any number of providers, including specialists, may provide treatment, examples of which are:
  - physical therapy;
  - surgery;
  - chiropractic therapies;
  - occupational therapy;
  - chronic pain programs;
  - medications;
  - dental; and
  - vision therapy.
- Cessation or termination of other benefits, including rehabilitation services, does not automatically affect eligibility for medical coverage.

# Maximum medical improvement

- Maximum medical improvement (MMI) means the date after which no further significant recovery from or significant lasting improvement to a personal injury can reasonably be anticipated, based upon reasonable medical probability, irrespective and regardless of subjective complaints of pain. 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.
- **Qualified rehabilitation consultants (QRCs) are not to** ask providers if the employee is at MMI or request medical records for the insurer prior to the DOI because these are claims adjustment functions.

**Disability Status Report**  
 Filed as required by Minn. Rules 5220.0110, subp. 7

1. WID EE-01-6164-028		2. DATE OF INJURY 02/01/2019	
3. EMPLOYEE NAME Muriel Finster			
4. EMPLOYEE ADDRESS 123 3rd Street			
CITY St Paul	STATE Minnesota	ZIP CODE 55155	5. EMPLOYEE PHONE # (651) 284-5431
6. EMPLOYER Third Street Elementary School		7. EMPLOYER CONTACT PERSON bill	8. PHONE # (651) 284-5555
9. INSURER/SELF-INSURER/TPA MSP Insurer		12. TITLE OF JOB AT DATE OF INJURY Administrative Assistant	
10. INSURER ADDRESS 123		13. AVERAGE WEEKLY WAGE AT DATE OF INJURY \$600.00	14. JOB AT DATE OF INJURY
CITY st paul	STATE Minnesota	ZIP CODE 55155	15. NUMBER OF DAYS OF DISABILITY 90 Days
11. INSURER CLAIM NUMBER 123A		16. IS THE EMPLOYEE CURRENTLY WORKING? no	
17. WILL THE DISABILITY LIKELY EXTEND BEYOND 13 WEEKS? (see instructions on back) Yes			
18. REASON FOR FILING THE DISABILITY STATUS REPORT:  <b>Was a consultation requested?</b> Yes by: Insurer on 01/15/2021  <b>Is the Employee being Referred for Consultation?</b> Yes  <b>QRC:</b> Andie Rehab			
Name of insurer representative completing form /s/ Melissa Claimadmin On 01/28/2021 at 09:57:56 AM CT		Phone number (651) 284-3333	Extension Date served on employee 1/28/2021

(over)

## 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 with the date-of-injury employer 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 1-800-342-5354 or 651-284-5032.

***This material can be made available in different forms, such as large print, Braille or audio. To request, call (651) 284-5032 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, SUBDIVISION 3.**

Mail or fax to:  
MN Department of Labor and Industry  
Workers' Compensation Division  
PO Box 64221  
St. Paul, MN 55184-0221  
(651) 284-5032 or 1-800-342-5354  
Fax: (651) 284-5731

## Report of Work Ability

See Instructions of Reverse Side



DO NOT USE THIS SPACE

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

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

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

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

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

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

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

The restrictions are:

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

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

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

# Permanent total disability

- **Vocationally permanent** – 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 determination process of permanent total disability.
- Minnesota Statutes 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.” (This became effective Oct. 1, 2018.)
- **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 on or after 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, 2022

- The QRC maximum hourly rate is \$119.39.
- The QRC intern hourly rate is \$10 less than firm's QRC hourly rate = \$109.39.
- The vendor maximum hourly rate is \$95.61.
- The QRC wait and travel time hourly rates are:
  - **wait time** = half the hourly rate, if at maximum = \$59.70; and
  - **travel time** = three quarters the hourly rate, if at maximum = \$89.54.
- Insurer payment of QRC and vendor bills shall be no later than 30 days after receipt.

[dli.mn.gov/sites/default/files/pdf/penalty\\_request\\_rehab\\_invoice.pdf](https://dli.mn.gov/sites/default/files/pdf/penalty_request_rehab_invoice.pdf)

# 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.

**From:** Minnesota Department of Labor and Industry <wcmpsystem@mn.gov>

**Sent:** Thursday, November 12, 2020 8:01 AM

**To:**

**Subject:** [EXT] Campus: R-Form is past Due

Caution: This email originated from outside of [REDACTED]



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-[REDACTED]-[REDACTED], 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](mailto:helpdesk.dli@state.mn.us).

**Minnesota Department of Labor and Industry**  
443 Lafayette Road N., St. Paul, MN 55155  
Web: [www.dli.mn.gov](http://www.dli.mn.gov)



# Minnesota Rules 5220.2830

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

Filed or received past due date (required form)	Penalty assessed
More than 30 days	\$125.00
More than 90 days	\$375.00
More than 180 days	\$500.00

Filed or received past due date (report on a form request by DLI)	Penalty assessed
More than 21 days	\$125.00
Failure to respond to second request	\$375.00
Failure to respond to a subsequent request	\$500.00

# Possible insurer penalty situations

## Penalty Request for Failure to Pay or Deny Rehabilitation Invoice

Submit a separate penalty request form for each instance where services were not timely paid or denied.

Employee:	<input type="text"/>	Claim no:	<input type="text"/>
WID no:	<input type="text"/>	Insurer and TPA:	<input type="text"/>
DOI:	<input type="text"/>	Adjuster:	<input type="text"/>

I request that a penalty be assessed under Minnesota Statutes, section 176.221, subdivision 6a, for the insurer's failure to comply with Minnesota Rules 5220.1900, subpart 1g, by failing to (check one or both):

- pay or deny payment of rehabilitation services in writing within 30 days after receipt of the invoice.
- identify in writing the specific charges and services for which payment was denied and reasons for the denial.

I have attached a copy of the following documentation (check all that apply)

- Required 1:** The invoice submitted to the insurer (including self-insured employer or third-party administrator).
- Required 2:** Email, fax confirmation sheet or other correspondence documentation of the date or dates the invoice was submitted to the insurer.
- If applicable, the insurer's response to the invoice and the date the insurer's response was received by the rehabilitation provider.
- I have not yet received any response to the invoice submitted to the insurer.
- If applicable, a copy of the Rehabilitation Request or Rehabilitation Response form filed with the Department of Labor and Industry related to payment of services on the invoice.
- If applicable, correspondence from the Department of Labor and Industry about payment for the rehabilitation services on the invoice, such as certification or noncertification of a dispute or a Decision and Order.
- If applicable, documentation of communication with the insurer about failure to timely pay or deny payment of the invoice, such as copies of email messages, a phone log of calls or the provider's notice to the parties, letters, a progress report or an R-3 Plan Amendment form under Minn. R. 5220.1801, subp. 9 (O), about a reduction in services.

- **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**