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State of Wisconsin Department of Workforce Development

## Worker's Compensation Insurance Letter

INS #	510
Date	March 31, 2016
Program	Claims Management
Туре	Informational
Replaces	N/A

## <u>To</u>: Claims Handling Offices for Insurance Carriers and Self Insured Employers <u>From</u>: BJ Dernbach, Division Administrator <u>Subject</u>: Worker's Compensation Statutory Changes Effective March 2, 2016

**Purpose:** To inform claims handling offices about Wisconsin Worker's Compensation Act, Chapter 102, Wis. Stats., law changes effective March 2, 2016, relating to compensation rate changes, a fixed rate for electronic medical records, the maximum charge for a final medical report, the reduction of the statute of limitations for traumatic injuries, the provision allowing no offset of temporary disability based on wages for the first 24 hours an employee works while receiving retraining benefits under § 102.61(1) or (1m), Wis. Stats., and other changes.

**Background:** Changes to the Wisconsin Worker's Compensation Act, Chapter 102, Wis. Stats., became effective March 2, 2016. As a result of these changes, certain rates and benefits were increased. Please reference Insurance Letter 506 for additional rate changes which took effect on January 1, 2016. Other changes to the Worker's Compensation Act include:

The maximum weekly indemnity rate for permanent partial disability increased to \$342 for injuries occurring on and after March 2, 2016 and will increase to \$362 for injuries occurring on and after January 1, 2017. § 102.11 (1), Wis. Stats.

The cost for medical records in electronic format is fixed at \$26.00 per request. A treating practitioner may charge a reasonable fee for the completion of a timely final medical report, not to exceed \$100, but may not require prepayment of that fee. A treating practitioner's final report will not be required where liability for the claim is completely denied. § 102.13 (2), Wis. Stats.

The statute of limitations for traumatic injures occurring on or after March 2, 2016 will be reduced from 12 years to six (6) years. In the case of occupational disease the statute of limitations will remain at 12 years. § 102.17 (4), Wis. Stats.

Apportionment of permanent disability resulting from accidental injuries will be based on causation. An employee who claims a work-related injury shall upon request disclose all previous permanent disabilities or physical impairments and the records needed to make an apportionment determination. § 102.175 (3), Wis. Stats.

Section 102.43 (5) (c), Wis. Stats., was recreated, without a sunset, to provide there will be no reduction in compensation for vocational rehabilitation training benefits based on wages earned by employees working parttime for the first 24 hours of employment during periods of retraining, and employees will be required to report wages earned during periods of retraining.

Section 102.43 (9) (e), Wis. Stats., was created to provide that compensation for temporary disability may be denied when an employee is released to light duty and is suspended or terminated from employment due to misconduct, or substantial fault, as defined in the unemployment insurance law, by the employer connected with the employee's work. This amendment applies to injuries occurring on and after March 2, 2016.

Section 102.44 (1), Wis. Stats., was amended to extend supplemental benefits to employees with injuries that occurred prior to January 1, 2003 who are permanently totally disabled or receiving continuous temporary total disability for more than 24 months after the date of injury. The maximum weekly benefit rate for supplemental benefits increased from \$582 to \$669. Persons receiving less than the maximum rate for dates of injury prior to January 1, 2003 receive the same percent of \$669 that their compensation rate bears to the maximum rate in effect at the time of their injury.

When an employee violates an employer policy against drug or alcohol use and such violation is causal to the employee's injury, then neither the employee nor the employee's dependents may receive any compensation, including the death benefit, relating to that injury. This provision does not reduce or eliminate liability for the cost of treating the employee's injury. This amendment applies to injuries occurring on and after March 2, 2016. § 102.58, Wis. Stats.

Action Requested: Please inform all claim handlers of these changes.

Inquiries: If you have any questions, please contact us at (608) 266-1340.

## Reference:

Refer to: 2015 Wisconsin Act 180 for a text of the law changes.

Refer to: 2015 Wisconsin Act 180 Plain Language Summary for a complete summary of the changes.