

# Workers Compensation Claim State Environmental Guide - Alabama

ALABAMA – <http://dir.alabama.gov/wc/>

## Indemnity issues

Temporary Total Benefits	25-5-57(a)(1): max and minimum compensation rates change yearly, effective for injuries on or after July 1 of the calendar year; \$282 min; \$1,026.07 max; 3 day waiting period. Retro 21 days. Paid until MMI achieved; no limit on number of weeks. Comp Rate based on 52 weeks wages. 66-2/3% up to \$920
Temporary Partial Benefits	25-5-57(a)(2): \$282 min; \$1026.07 max; 3 day waiting period; 300 weeks from DOI; 66-2/3% of difference between AWW before injury and gross earnings after injury, if not at full duty. Not to be paid beyond 300 weeks
Permanent Partial Benefits	Medical ratings based whichever method the ATP selects. Judge is the only person who can assign PP ratings. Vocational ratings applied in unscheduled member ratings. For scheduled member ratings, maximum comp up to of 300 weeks.
Permanent Total Benefits	Subject to 66-2/3% of AWW at time of injury, up to \$1026.07. Court awarded, following trial. PT benefits are not capped and are awarded as lifetime benefits or until the employee is “no longer totally disabled under the statute.”
Fatality Benefits	For death claims, multiply the employee's average weekly earnings prior to the accident by 50% if the employee has one dependent, or by 66 2/3% if the employee has two or more dependents. Death benefits are subject to maximum and minimum in effect on date of injury. If the deceased employee, at the time of his or her death, has no dependents, then within 60 days of his or her death, the employer shall pay a one-time lump sum payment of \$7,500 to the deceased worker's estate.; 500 weeks limitation - 1 dependent, 50% of AWW. 2 or more, 66-2/3% of AWW. Funeral Benefit \$6,500
Vocational Rehabilitation	No. Only use is for vocational ratings for injuries with whole body (unscheduled) ratings
Settlement Allowed	Yes, both indemnity & medical
Cap on benefits, exceptions	300 weeks on Indemnity unless PT is awarded; there is no cap on indemnity benefits, but once we pay week 301, the case is automatically considered Perm Total.

## Medical issues

Initial Choice of Provider	Employer has right of selection. If the employee is dissatisfied with the initial treating physician selected by the employer, and if further treatment is required, the employee may so advise the employer, and be entitled to select a second physician from a panel or list of four physicians selected by the employer.
Change of Provider	Employee can request a one-time Panel of 4, selected by employer. Act allows for the employee to be provided with a Panel of Four surgeons in addition to the Panel of Four physicians when surgery has been recommended. If the injured employee refuses to comply with any reasonable request for examination, or refuses to accept the medical service or physical rehabilitation which the employer elects to furnish, the employee's right to compensation shall be

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	suspended and no compensation shall be payable for the period of such refusal.
Medical Fee Schedule	Yes; The AL Fee Schedule does not key off of Medicare rates. Instead, it's 7.5% above the "preferred provider reimbursement paid by the largest health care service plan" in the state (Blue Cross). Also note, AL allows each hospital to negotiate their rates with the Department of Industrial Relations.
Managed Care	No
Utilization Review	Yes
Treatment Guidelines	URAC
Generic Drug Substitution	The state mandates generic substitution.
Medical Mileage Reimbursement Rate	As of 7/1/22, 62.5 cents per mile (Statute 25-5-77).
Network Information	First Health (Primary) and Corvel (Secondary)
Ability to Terminate Medical Treatment	No
Settlement Allowed	Yes
Cap on benefits, exceptions	None.

**Other Issues**

WC Hearing Docket Speed	Court System; on average 12-18 months but subject to attainment of MMI; Subject to State Budgets; Overall system pro employee; Alabama Court of Civil Appeals pro employer. Alabama Supreme Court also pro employer
Staff Counsel	Williams & Associates, 3000 Riverchase-Galleria, Suite 300, Birmingham, AL, 35244. 205-982-4620
Hearings require attorney or claim handler participation	Licensed Attorneys Only
Occupational Diseases	Separate Section of Statute. Treated same administratively as accidental injuries but requires clear and convincing proof, as opposed to the preponderance of the evidence which is required for accidental injuries. The Intoxication defense is available, but the employee's intoxication must cause or contribute to the cause of the accident. The employer has the burden of proving this defense and the employee can ask for a jury trial on the issue. Also, the employee is still entitled to medical benefits. This defense only applies to bar indemnity benefits.
Second Injury Fund availability	No
Other Offset Opportunities	Subrogation
EDI	Claims EDI Release 1 : FROI (2/1/2008) Claims EDI Release 3 : SROI (2/1/2008)
In-State Adjusting Required	No
License or Certification Required	Yes. Need 8 CEUs. Given upon attendance at the annual Alabama W/C Seminar (held in various locations within the State of Alabama).