

# Workers Compensation Claim State Environmental Guide - Iowa

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## Indemnity issues

<p>Temporary Total Benefits</p>	<p><b>Temporary Total Disability (TTD) [85.32, 85.33(1)]</b></p> <p>When an injury results in more than three calendar days of disability, the employee may be entitled to TTD benefits beginning on the fourth day and continuing until the employee has returned to work or is medically capable of returning to substantially similar employment, whichever occurs first. The three-day waiting period becomes payable if the disability period exceeds fourteen calendar days.</p> <p>Total weekly compensation for any employee is not to exceed 80% of the employee's weekly spendable earnings. The law defines "spendable earnings" as that amount remaining after payroll taxes are deducted from gross weekly earnings.</p> <p>The weekly amount of the disability benefit is determined by the employee's average gross weekly earnings, the number of exemptions, and the marital status.</p> <p>The minimum weekly benefit amount for TTD or HP is equal to either the weekly benefit amount of a person whose gross weekly earnings are thirty-five percent (35%) of the statewide average weekly wage OR the spendable weekly earnings of the employee, WHICHEVER IS LESS. The minimum weekly benefit amount for PPD, PTD or death benefits is equal to the weekly benefit amount of a person whose gross weekly earnings are thirty-five percent (35%) of the statewide average weekly wage.</p> <p>State Average Weekly Wage is \$1040.56 effective July 1, 2022 to June 30, 2023.</p> <p>35% of the Statewide Average Weekly Wage is \$364.00 effective July 1, 2022 to June 30, 2023.</p> <p>The maximum weekly disability benefit rate for TTD is \$2081.00. This rate is effective July 1, 2022 to June 30, 2023. This rate is adjusted annually.</p>
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<p>Temporary Partial Benefits</p>	<p>Temporary Partial Disability (TPD) [85.32(2-5)]                      TPD benefits may be payable if the employee returns to work at a lesser paying job, because of the injury. The TPD benefit amount is to be 66 2/3 percent of the difference between the employee's average gross weekly earnings at the time of the injury and the employee's actual earnings while temporarily working at the lesser paying job. The three-day waiting period (explained above) also applies to TPD.</p>
<p>Permanent Partial Benefits</p>	<p>Permanent Partial Disability (PPD) [85.34(2)]                      The maximum weekly disability benefit rate for PPD is \$1915.00 effective July 1, 2022 to June 30, 2023.                      The PPD benefits are payable in addition to the TTD/TPD benefits and are to begin at maximum medical improvement. There are two types of PPD benefits: (1) Scheduled Member Disabilities and (2) Body As A Whole disabilities.</p>
<p>Permanent Partial based on AMA Guidelines</p>	<p>Yes, the AMA Guidelines 5<sup>th</sup> edition is used for scheduled member injuries. It is also a factor in body as a whole or industrial disabilities.</p>
<p>Permanent Total Benefits</p>	<p>Permanent Total Disability (PTD) [85.34(3)]                      When a job-related injury leaves an employee incapable of returning to gainful employment, the employee may be entitled to PTD benefits. The PTD benefits are payable as long as the employee remains permanently totally disabled.                      The maximum weekly disability benefit rate for PTD and death benefits is \$2081.00. These rates are effective July 1, 2022 to June 30, 2023. The rates are adjusted annually.</p>

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<p>Fatality Benefits</p>	<p>Death Benefits (DEA) [85.28, 85.31, 85.42, 85.43, 85.44]                  Death benefits are payable to the dependents of the employee. Benefits are first payable to the surviving spouse for life or until remarriage. Dependent children are entitled to the benefit until they reach age 18, or age 25 if they are actually dependent. Others may qualify, if there is a showing of actual dependency. Upon remarriage, if there are no dependent children, the surviving spouse is entitled to a two-year lump sum settlement. Burial expenses not to exceed twelve times the statewide average weekly wage in effect at the time of death, a Benefits are also paid to the Second Injury Fund in the event of a work death, the sum of \$12,000, if there are dependents and \$45,000 where there are no dependents.                  re paid in addition to the weekly death benefits.</p> <p>The maximum weekly disability benefit rate for PTD and death benefits is \$1845.00. These rates are effective July 1, 2021 to June 30, 2022. The rates are adjusted annually.</p>
<p>Vocational Rehabilitation</p>	<p>VOCATIONAL REHABILITATION BENEFITS [85.70]                  An employee who has a permanent partial or permanent total disability which makes return to gainful employment impossible may be entitled to a payment of \$100.00 per week (up to thirteen weeks) if the employee is actively participating in a vocational rehabilitation program. An additional thirteen weeks may be paid if approved by the workers' compensation commissioner.                  If an injured employee has a shoulder injury and cannot return to work, the worker will be eligible for vocational training at a community college. The employer will pay up to \$15,000.00 to cover this expense. To qualify, the worker must be evaluated by the department of workforce development and, if deemed eligible, will be referred by the department to a community college. He/she will have six months to enroll. The injured employee must maintain a passing grade in each enrolled course to continue in the program and must also meet school attendance requirements to maintain eligibility.</p>
<p>Settlement Allowed</p>	<p>Yes. You can lump sum settle in Iowa.</p>
<p>Cap on benefits, exceptions</p>	<p>None</p>

**Medical issues**

<p>Initial Choice of Provider</p>	<p>Employer choice. One IME allowed for the employee for a PPD rating.</p>
<p>Change of Provider</p>	<p>Injured worker can petition the agency for alternate care hearing to change the</p>

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**Medical issues**

	treating physician.
Medical Fee Schedule	None
Managed Care	None.
Utilization Review	None.
Treatment Guidelines	None
Generic Drug Substitution	The state allows generic substitution; however, it is not mandatory.
Medical Mileage Reimbursement Rate	\$.625 per mile effective 7/1/22
Network Information	First Health (primary) and CorVel (secondary).
Ability to Terminate Medical Treatment	Must show medical treatment is not related to work injury. Otherwise, lifetime medical is applicable if indemnity is paid.
Settlement Allowed	Yes
Cap on benefits, exceptions	No cap.

**Other Issues**

WC Hearing Docket Speed	Currently takes 12 to 18 months to go to hearing from date of filing. The agency implemented the Workers' Compensation Electronic System (WCES) in July 2019. All pleadings are filed electronically.
Staff Counsel	Andersen and Associates 1089 Jordan Creek Parkway, Ste. 360 West Des Moines IA 50266 Phone Direct Dial: (515) 221-3660
Hearings require attorney or claim handler participation	Attorney
Occupational Diseases	Mostly handled same as occupational injury although there is a separate statute.
Second Injury Fund availability	Yes, In order to prove the Second Injury Fund liable, Claimants must prove: <ol style="list-style-type: none"> <li>1. permanent disability to a hand, arm, foot, leg or eyes;</li> <li>2. previous loss of use of another such member or organ through a work-related injury; and</li> <li>3. there is some permanent disability from the injuries.</li> </ol> <p>Iowa's Second Injury Fund then becomes responsible for the difference between the compensation for which the current employer is liable and the total amount of industrial disability suffered by the employee, reduced by the compensable value of the first injury.</p>
Other Offset Opportunities	Payment of benefits under a group plan, such as long term disability benefits, may be used as a credit against indemnity payments, under certain circumstances. Iowa Code section 85.38(2).
EDI	Claims EDI Release 3.1: FROI & SROI (7/16/2019)
In-State Adjusting Required	No
License or Certification Required	No

**Major Developments**

	<p>Statutes were updated with an effective date of July 1<sup>st</sup> 2017. Significant changes below:</p> <p><b>Affirmative Defense of Intoxication</b> - This section adds a rebuttable presumption; if an employee tests positive for drugs (not prescribed by a doctor or misused) or alcohol, after an injury at work, it is presumed the employee was intoxicated at the time of the injury and the employee cannot receive workers' compensation benefits. The burden then shifts to the employee to prove he/she was not intoxicated during the injury, or the intoxication did not cause his/her injury.</p> <p><b>Temporary Work Offerings</b> – section added to allow transitional return to work offers such as the not for profit program.</p> <p><b>Shoulder Injuries</b> – moved to the schedule of benefits which limits the shoulder to 400 weeks and bars it from being considered for industrial disability. . The Iowa Supreme Court in Chavez v. MS Technology LLC and Westfield Insurance Company, -- N.W.2d – (Iowa 2022), affirmed the decision to the Workers' Compensation Commissioner defining a shoulder injury as a scheduled member injury.</p> <p><b>Industrial Disability</b> - Adds language to state the injured employee's intended retirement age is a factor in the analysis of industrial disability. If the injured employee returns to work at the same or greater wage, as compared to the time of injury, he/she is not eligible for industrial disability. The same applies if he/she is offered such work and declines it.</p> <p><b>Interest</b> - This bill section amends the code to change the interest rate on late workers compensation payments from a fixed 10%, to the rate of the treasury matrix as of the date of injury, plus two percent. This conforms the workers' compensation interest rate to match the interest rate in other civil proceedings in Iowa.</p> <p><b>Commencement of Permanent Partial Disability Benefits</b> - The amendment changes the start date for PPD benefits to be the date when the Claimant is found to be at maximum medical improvement. It therefore eliminates a situation where the employee could be owed both temporary and permanency weekly benefits at the same time.</p> <p>On 7-1-19 Iowa Code section 85.61(7)(c) was updated to exclude idiopathic or unexplained falls on level surface.</p>
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**Additional Comments**

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