



Workers Compensation Claim State Environmental Guide - Michigan

MICHIGAN – <http://www.michigan.gov/wca>

Indemnity issues

Temporary Total Benefits	<p>Average Weekly Wage calculated by taking the highest 39 weeks of the 52 weeks preceding the date of injury. If less than 39 weeks, use all weeks actually worked. Compensation rate is determined by using the AWW, tax filing status and # of dependents. Calculation program is available at Agency website: https://worcs.apps.lara.state.mi.us/WORCS/BenCalc/CalculationOptions</p> <p>Min: No Min. Max: \$1048.00 for 2022</p> <p>Waiting period: 7 consecutive day waiting period. Benefits start on the 8th day after date of injury/disability. If the initial disability continues for 14 consecutive days, the benefits are retroactive to day 1.</p> <p>Unlimited benefits</p> <p>Checks cannot be sent to Employer - must be sent to IW.</p> <p>Checks sent weekly.</p>
Temporary Partial Benefits	<p>If the injury occurred before December 19, 2011, the partial benefit rate would be 80% of the difference between the after tax amount of the employees average weekly wage before the injury and the after tax amount of the employee's average weekly wage/imputed wage earning capacity after the injury.</p> <p>For injuries occurring on and after December 19, 2011, the partial benefit would be 80% of the difference between the after tax average weekly wage prior to injury and the wage earning capacity after the injury.</p> <p>Min: No Min. Max: Original Comp Rate</p>
Permanent Partial Benefits	<p>Scheduled number of weeks for Specific Loss.</p> <p>http://www.legislature.mi.gov/(S(cn02danmhc1m34y035tzgdgz))/mileg.aspx?page=getObject&objectName=mcl-418-361&highlight=scheduled%20AND%20loss</p> <p>No rating in the State of Michigan</p>
Permanent Total Benefits	<p>If PT, there is a conclusive presumption that you receive benefits for 800 weeks. Thereafter, the question of permanent disability is a question of fact.</p>
Fatality Benefits	<p>500 weeks to the widow plus any additional weeks until the youngest child reaches the age of 18. If the child is physically or mentally handicapped, benefits may be awarded past age 18. Entitlement to benefits determined by the extent of dependency.</p> <p>Benefits stop to the widow if she remarries during the 500 weeks.</p> <p>Burial Expenses: \$6,000</p>



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The Travelers Indemnity Company and its property casualty affiliates. One Tower Square, Hartford, CT 06183

This material is for informational purposes only. All statements herein are subject to the provisions, exclusions and conditions of the applicable policy. For an actual description of all coverages, terms and conditions, refer to the insurance policy. Coverages are subject to individual insureds meeting our underwriting qualifications and to state availability.

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Indemnity issues

Vocational Rehabilitation	Is it required? Yes – If not voluntarily offered, the director on his or her own motion or upon application of the employee, carrier, or employer may order the services. What are the benefits? Retraining and job placement, as may be reasonably necessary to restore him or her to useful employment. Will not exceed more than 52 weeks unless by special order of the director and not to exceed an additional 52 weeks.
Settlement Allowed	Settlement allowed for both Indemnity and Medical. Must be approved by a Magistrate.
Cap on benefits, exceptions	None

Medical issues

Initial Choice of Provider	Employer for the first 28 days from date of intent to treat. Employee choice after this 28-day period.
Change of Provider	Injured employee must notify us of their intent to change treating physicians.
Medical Fee Schedule	Yes
Managed Care	No
Utilization Review	Not a UR state but we follow the Travelers UR principles and most providers cooperate to ensure payment. The WC Act authorizes treatment.
Treatment Guidelines	Does the state mandate the use of evidence based guidelines? No Requirement. Health Care Rules now have a provision to address long-term opioid usage. If so, which one?
Generic Drug Substitution	The state mandates generic substitution.
Medical Mileage Reimbursement Rate	\$0.585 for 2022 - adjusted yearly by the Agency. Rates are available on the Agency Website: https://www.michigan.gov/leo/-/media/Project/Websites/leo/Documents/WDCR-Calculations/Travel-Reimbursement-Rates.pdf?rev=cb8dc7b472ae42e6b28defd12ef8803f&hash=A0CEB07AFAC6BE0DFBEDDE9A11CA42D
Network Information	Coventry Network is used.
Ability to Terminate Medical Treatment	Ability to dispute medical that is not reasonable or necessary. NOD (Notice of Dispute) would need to be filed with the bureau. More formal process needed for cases that have an open award by the agency.
Settlement Allowed	Yes
Cap on benefits, exceptions	Fee Schedule Rates

Other Issues

WC Hearing Docket Speed	Contested cases may take 18 to 24 months to have a trial before a Magistrate.
Staff Counsel	Law Offices of Cathy A. Gofrank, 1441 W Long Lake Road, Suite 305, Troy, Michigan 48098 (248) 312-7910
Hearings require attorney or claim handler participation	Attorney involvement required at formal hearings. Claim Rep participation may be required at mediation – many done telephonically. Claim rep may be required to participate in magistrate facilitation. This is usually required by most magistrates before a case actually proceeds to trial.
Occupational Diseases	Recognized under Chapter 4 of the WC Act, which shall include a disease or disability that is due to causes and conditions that are characteristic of and peculiar to the business of the employer and that arise out of and in the course of employment. No apportionment in Michigan. Generally, liability will fall on the last employment of exposure. In cases involving cumulative trauma, the date of injury would be the last day that the employee worked in the conditions which gave rise to the condition.
Second Injury Fund availability	If an employee has a previous permanent disability ("Specific Loss") in the form of the loss of a hand, arm, foot, leg or eye and subsequently has an injury arising out of and in the course of employment that results in another permanent disability in the form of the loss of a hand, arm, foot, leg or eye, the employee is conclusively presumed to be "Permanently and Totally Disabled" and is entitled to a minimum of 800 weeks of compensation. At the conclusion of weekly payments made for the 2nd specific loss, the Second Injury Fund shall reimburse the carrier for ongoing weekly payments up to a minimum of 800 weeks, and to continue if the employee is disabled in fact. <u>Dual Employment:</u> The Second Injury Fund is also involved in situations where there is Dual Employment. Earnings from all employment are included in the calculation of the Average Weekly Wage. In situations where the employment where the injury occurred contributed more than eighty percent of total earnings, there is no liability on the Second Injury Fund for Wage Loss benefits. In cases where the injury employment contributed 80 percent or less, the responsibility for wage loss benefits is prorated based on percentage of earnings in each employment. Only wages reported to the IRS are used in this calculation.
Other Offset Opportunities	Coordination of STD, LTD, Wage Replacement, old age Social Security, and unemployment compensation.
EDI	Not Applicable. Plan to adopt Claims EDI Release 3.1 (no ETA)
In-State Adjusting Required	No
License or Certification Required	Yes, only for TPAs.

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