

# Workers' compensation 101

# Workers' compensation basics

- Workers' compensation is a no-fault system.
- A work-related injury can be a condition 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) benefits are payable when an employee is completely unable to work (provider restriction or employer cannot accommodate).
- They are paid at compensation rate: Two-thirds of the average weekly wage (AWW). Example: AWW \$500 → \$333.33.
- Minimum and maximum rates apply; they are adjusted annually Oct. 1.
- Maximum duration: As of Oct. 1, 2008, 130 weeks unless retraining is approved (weeks need not be consecutive).
- The insurer must complete a Disability Status Report form within 14 days after knowing TTD >13 weeks or within 90 days post-injury.
- The employee may request a rehabilitation consultation anytime by written request.
- Discontinuance of TTD benefits does not close the rehabilitation plan; it remains open until criteria in Minnesota Rules 5220.0510, subpart 7, are met.

# 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 a date of injury (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

- Permanent partial disability (PPD) benefits can be paid concurrently with TPD and permanent total disability (PTD), but not while receiving TTD.
- Rating are usually provided by the treating physician at maximum medical improvement (MMI).
- Some injuries have minimum ascertainable (for example, a meniscectomy) payable after TTD ends.
- PPD payment is **not** a settlement and does not close the claim.
- Direct employees with concerns to their claim representative or attorney.

# Permanent total disability, continued ...

- **Vocationally permanent** – qualified rehabilitation consultants (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 applies to the 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.

# 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 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.
- **QRCs are not to ask** medical providers if the employee is at **MMI** or request medical records for the insurer prior to the date of injury because these are claim adjustment functions.

# 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**, training must be requested:
  - **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)), training must be requested:
  - **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**, retraining must be requested:
  - 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.
- The employee's retraining request must be filed before 225 weeks of any combination of TTD and TPD. This can be done by the employee sending a letter to the insurer and the Department of Labor and Industry (DLI) stating they are reserving their right to retraining.

# Rehabilitation provider fees – Oct. 1, 2025

- The QRC maximum hourly rate is \$129.98.
- The QRC intern hourly rate is \$10 less than firm's QRC hourly rate, \$119.98.
- The vendor maximum hourly rate is \$104.09.
- The QRC wait and travel time hourly rates are:
  - **wait time** = half the hourly rate, if at maximum, \$64.99; and
  - **travel time** = three quarters the hourly rate, if at maximum, \$97.49.
- The insurer must pay, deny or request additional information within 30 days of receipt of a bill.

# QRC R-form penalties

- Minnesota workers' compensation law requires R-forms to be filed.
  - Keep your rehabilitation plan up to date.
  - Use a reminder system so R-forms and reports get filed on time.
- Contact DLI regarding missing or incorrect R-forms.

**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, j 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

# Example of email request



Date: [{{ todays date }}](#)

JCN number: [{{ Related Transaction WCMP ID }}](#)

Employee: [{{ EE }}](#)

Date of Injury: [{{ DOI }}](#)

Please submit all responses and required documents through Campus. If we do not receive a response within 30 days, penalties may be applied as outlined in Minnesota Statutes § 176.231 subd. 10 and Minnesota Rule 5220.2830, subp. 2.

Dear Qualified Rehab Consultant,

This is a Request for Information (RFI) on the claim above, and our records indicate that you received a DSR referral for or are the assigned QRC for this claim. If you are not responsible for the claim shown above, please response in writing to this RFI.

The Workers Compensation Division request the following:

- Rehabilitation Consultation Report (RCR)/Narrative Report (Minnesota Rules Part 5220.0130)
- R-2 Rehabilitation Plan/Initial Evaluation Report (Minnesota Rules Parts 5220.0410 and 5220.1803, [Subp. 5](#))
- R-3 Rehabilitation Plan Amendment (Minnesota Rules Part 5220.0510)
- PPR Plan Progress Report (Minnesota Rules Part 5220.0450)
- R-8 Rehabilitation Plan Closure, if the plan is closed. (Minnesota Rules Part 5220.0510, [subp. 7](#))

Thank you for your anticipated cooperation.

# 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
More than 90 days	\$375
More than 180 days	\$500

Filed or received past due date (report on a form request by DLI)	Penalty assessed
More than 21 days	\$125
Failure to respond to second request	\$375
Failure to respond to a subsequent request	\$500

# Possible insurer penalty situations

Violations	Formula and penalty amount
<p><b>Late payment of rehabilitation</b>  <b>Paid to: Assigned Risk Safety Account</b>            Statutes violated: 176.102, subs. 9, 11; 176.221, subd. 6a            Applicable rule: 5220.1900, subp. 1g            Assessment statute: 176.221, subd. 3            Assessed against: Insurer or self-insured employer</p>	<p>Based upon the number of days payment is late and percent of amount due, subject to maximums</p> <ul style="list-style-type: none"> <li>• One to 15 days late: 30% of amount due; maximum is \$500</li> <li>• Sixteen to 30 days late: 55% of amount due; maximum is \$1,500</li> <li>• Thirty-one to 60 days late: 80% of amount due; maximum is \$3,500</li> <li>• Sixty-one or more days late: 105% of amount due; maximum is \$5,000</li> </ul>
<p><b>Failure to notify employee of time limit to request retraining</b>  <b>Paid to: Assigned Risk Safety Account</b>            Statute violated: 176.102, subd. 11            Applicable rule: N/A            Assessment statute: 176.102, subd. 11            Assessed against: Insurer or self-insured employer</p>	<p>Based upon the number of days late, set amount</p> <ul style="list-style-type: none"> <li>• Twenty-five dollars a day; up to \$2,000 maximum</li> </ul> <p>Applies to date of injuries Oct. 1, 1995, or later</p>

# Penalty request form

## 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:  Claim no:   
WID no:  Insurer and TPA:   
DOI:  Adjuster:

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.

# Thank you

Jordan Trumbo, MS, CRC  
[jordan.trumbo@state.mn.us](mailto:jordan.trumbo@state.mn.us)  
651-284-5153