



RISK MANAGEMENT INFORMATION

## THE EVOLUTION OF A WORKERS' COMPENSATION CLAIM

***As an employer, the administration of your workers' compensation claims can be confusing and frustrating. However, once provided with the necessary information, you will better be able to understand and manage your workers' compensation claims. This can best be understood by following the evolution of a claim.***

### Reporting

A workers' compensation claim begins with the reporting process. To initiate the reporting process, employees report a workers' compensation to the employer. Under Workers' Compensation Statute, the employee has 180 days to report his or her claim. However, the employer has less flexibility in submitting this information to the Department of Labor and Industry. Once the employer is notified of the employee's injury, the employer must file the *First Report of Injury (FROI)* and the *Notice of Insurer's Primary Liability Determination* within 14 days of the first date of lost time. Given a death or serious injury, the information must be received by the Department of Labor and Industry within 48 hours.

#### Learn More

For more information on FROI's, check out:

[Tools for Managing Work Comp Claims](#)

A helpful tool to use in reporting claims is the *Supervisor's Report of Accident*. Although this form is not required, it is especially useful when determining liability as it sometimes provides the employer's opinions regarding causation.

### Investigate the Claim

The investigation of a claim may involve several contacts depending on the severity of claim. The following people are possible contacts:

- Employer
- Employee
- Physician
- Witnesses

In addition, medical records are often requested and reviewed in order to make a determination regarding liability. Once all the information is received and reviewed, one must make a determination regarding primary liability.

This material is provided as general information and is not a substitute for legal advice.  
Consult your attorney for advice concerning specific situations.

## **Work Related Injury**

An injury is considered work related when the following variables are present:

- Must sustain personal injury or occupational disease.
- Injury or disease must arise out of employment.
- Injury or disease must occur in the course of employment.

In addition to the above, a condition or injury is considered work related if it is aggravated or accelerated by the employee's work activities. Assuming all the above variables are met, the claim is accepted. However, if it is found that the employee's condition is not work related, the basis of denial or defenses is noted on the Notice of Insurer's Primary Liability Determination.

## **Defending a Claim**

A workers' compensation claim may be denied because of any the following arguments, which may be used in defending the claim:

- Did not arise out of or in the course of employment.
- Intentional/self-inflicted.
- Horseplay.
- Intoxication.
- Deviation—auto accident.
- Stress.

## **Benefits**

Once it is determined that a claim is covered, benefits begin. The benefits provided under the Workers' Compensation Statute begin when the employee notifies the employer of his or her injury. In turn, the employer notifies the workers' compensation carrier of the injury who pays the employee benefits.

### **Medical Benefits**

One of the benefits provided under Workers' Compensation Statute is medical benefits. Providers are subject to a maximum fee under workers' compensation.

### **Something to Think About**

Under the Workers Compensation Statute, there is no cap on medical benefits.

### **Disability Benefits**

Additionally, disability benefits are provided under the Workers' Compensation Statute including:

- Temporary total disability.
- Temporary partial disability.
- Permanent partial disability.
- Permanent total disability.
- Death benefits.

**Rehabilitation Benefits**

Occasionally, rehabilitation benefits are assigned to assist in the return to work process. These benefits are provided by a Qualified Rehabilitation Consultant (QRC). The employee may obtain these services by requesting a QRC or the employer may request these services for the employee. Upon agreement from the employer, a rehabilitation consultation is prepared by the QRC to determine if the employee qualifies for rehabilitation services. If the employee qualifies, rehabilitation services are provided. A rehabilitation consultation is required if the employee is not back to work at 90 days from the date of injury.

**Conclusion**

In conclusion, although workers' compensation claims evolve and the rules and statutes governing these claims are extensive, cities can effectively manage and understand them by having the right information on the claims process.

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