



INFORMATION MEMO

Workers' Compensation Claim Management

Find information related to workers' compensation claim management, including what injuries to report, when to report an injury, what forms to use, how to report an injury, what happens after reporting, and injury management techniques.

RELEVANT LINKS:

[LMC information memo, LMCIT Workers' Compensation Coverage Guide.](#)

[Minn. Stat. § 176.021.](#)

[Minn. Stat. § 176.82.](#)

[MN Workers' Compensation, Employee Rights and Responsibilities.](#)

[Minn. Stat. § 176.141.](#)

I. Managing workers' compensation claims

The financial burden of poorly managed workers' compensation claims can be staggering. The negative impact of poorly handled claims on the lives of employees can be a source of resentment and frustration to many people. Abuse or misuse of the system by anyone involved (employer, employee, medical provider, claim adjuster, and so on) can negatively impact the culture and morale of an entire organization.

II. Reporting

A. What injuries to report

The Minnesota workers' compensation statute requires you, the employer, to report all injuries and illnesses that employees believe are work-related.

If an employee claims a work-related injury, report it to the League of Minnesota Cities Insurance Trust (LMCIT) along with all relevant information. Let LMCIT investigate and determine if any workers' compensation benefits are payable to the injured employee.

Do not deliberately obstruct or attempt to prevent an employee from seeking workers' compensation benefits. Doing so could leave the employer liable for workers' compensation benefits plus triple damages to the employee.

Remember, the employer is required by law to post the name and address of its workers' compensation carrier in a conspicuous place that can be seen by all employees. The Employee Rights and Responsibilities poster at left includes LMCIT's information.

B. When to report an injury

1. Employee

An employee is required to report an injury to his or her employer within 180 days of its occurrence. The employer is then required to report the claimed injury to LMCIT. It is neither the injured employee's nor the employer's insurance agent's responsibility to report the injury to LMCIT.

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

RELEVANT LINKS:

[Minn. Stat. § 176.231, subd. 1.](#)

MN Department of Labor & Industry, [OSHA Reporting](#)
651.284.5050 or
877.470.6742

[Minn. Stat. § 176.231, subd. 1.](#)

[Minn. Stat. § 176.231, subd. 2.](#)

MN Department of Labor & Industry, [First Report of Injury](#).

LMCIT Claims Department
651.281.1280
800.925.1122
claims@lmc.org

[Minn. R. 5220.2530 subp. 6.](#)

2. Employer

If an employee is killed or suffers a life-threatening injury (amputation of limb, massive internal injuries, and so on), it must be reported to LMCIT within 24 hours of the occurrence so that it can be submitted to the Minnesota Department of Labor and Industry (DOLI) within its 48-hour deadline. The employer is also required to contact the Minnesota Occupational Safety and Health Administration (MnOSHA) within eight hours of the occurrence.

All other work-related injuries or illnesses must be reported within 10 days of the employer's first knowledge of its occurrence. If the employee's supervisor or manager knows about the injury, the city is also deemed to have knowledge. Be sure supervisory staff know their responsibilities.

C. What forms to use

1. Mandatory forms

The Minnesota workers' compensation statute requires employers to report all work-related injuries and illnesses on a state mandatory form called the First Report of Injury (FROI). Directions for completing the form are noted on the back of the form. LMCIT staff are also available to assist in the completion of the form.

If an employee loses work time (even 10 minutes) due to a work-related injury, it must also be reported on the form. In box number 26, enter the date when lost time first occurred. If an employee begins to lose time from work after the FROI has been sent, call LMCIT immediately.

It's important the form be completed by the employer and submitted in a timely manner. Do not ask the injured employee or an insurance agent to complete the form. Also, do not wait for the employee to return to work or for medical bills or other information. LMCIT recommends submitting the FROI on the same day the injury is reported, but absolutely do not delay the filing for more than 24 hours. The employer can be penalized by DOLI for late reporting and delayed payment of benefits.

Filing an FROI does not mean you, as the employer, are admitting liability. It only means a claimed injury or condition, which an employee believes is related to work activities, is being reported.

RELEVANT LINKS:

Sample Form, [Supervisor's Report of Accident](#).

Sample Form, [Employee Incident Report](#).

[Minn. Stat. § 176.231, subd. 2.](#)

[MN Workers' Compensation, Employee Information Sheet.](#)

[MN Workers' Compensation, Employee Rights and Responsibilities.](#)

[LMCIT Online Claim Submission.](#)

[LMCIT Claim Forms.](#)
Email: claims@lmc.org

Fax: 651.281.1297 or
888.234.7839

Mail: 145 University Ave W,
St. Paul MN 55103-2044

Phone: 651.281.1200 or
800.925.1122

2. Optional forms

a. Supervisor's report of accident

When a new injury is reported, it is important as the employer to conduct an immediate investigation and to record the facts of how the injury occurred and what body parts were injured. The Supervisor's Report of Accident is not required, but should be completed based on the supervisor's first-hand contact with the injured employee and review of the area where the injury occurred. LMCIT considers this form very helpful in the investigation of the claim. If this form is completed, submit it to LMCIT along with the FROI.

b. Employee incident report

This form is completed by the employee following a work-related injury, but should not substitute for an in-person interview with the employee or completion of the Supervisor's Report of Accident form. If completed, this would accompany the FROI. Again, if this form is not received from the employee within 24 hours, do not delay the submission of the FROI.

D. What forms to give the employee

The employer is required by law to give the injured employee a copy of the FROI and the Minnesota Workers' Compensation System Employee Information Sheet.

Although not required, the employee should also receive a copy of the Employee Rights and Responsibilities form.

E. How to report an injury

Report workers' compensation injuries using an FROI form. Send the form, along with any other optional reports you or the employee have completed, to LMCIT. Always keep copies for your records.

Claims can be submitted to LMCIT using any of the following methods.

- Online: Members with a username and password can submit claims online. To obtain a username and password, contact LMCIT.
- Email.
- Fax.
- Mail.
- Phone.

RELEVANT LINKS:

[Minn. Stat. § 176.135.](#)

[Minn. Stat. § 176.011, subd. 18.](#)

[Minn. Stat. § 176.101.](#)

[Minn. Stat. § 176.111.](#)

[Minn. Stat. § 176.102.](#)

III. After reporting

A. Claim adjuster responsibilities

Upon receipt of the FROI, LMCIT will assign the claim to a claim adjuster, who will investigate the claim and determine liability under the workers' compensation statute. An adjuster will be in contact with all appropriate parties within one business day of receipt of the claim. Within 10 days the adjuster will communicate whether the claim has been accepted and file all necessary paperwork.

If the claim is accepted, the adjuster will calculate and pay medical and/or lost time benefits as defined under the workers' compensation statute. The injured employee may be entitled to some or all of the following benefits:

- Medical benefits come with no cap under the workers' compensation statute, but medical providers are subject to a maximum fee.
- Indemnity benefits, or more commonly known as lost time benefits or wage replacement, are based on the individual's actual earning from all employment.
- Temporary total disability is paid when an employee is completely disabled from work for a temporary period of time.
- Temporary partial disability is paid when an employee receives less than his or her pre-injury wage.
- Permanent partial disability is paid when a disability rating is provided by a treating physician.
- Permanent total disability is paid when an employee is permanently restricted from employment.
- Death benefits.
- Rehabilitation benefits may be granted if the employee requests, and the employer agrees, that consultation services of a qualified rehabilitation consultant (QRC) be obtained. If the employee qualifies, rehabilitation services may be provided. Generally, a QRC is required if the employee is not back to work at 90 days from the date of injury.

Besides paying medical and/or lost time benefits, the adjuster will also maintain at least bi-weekly contact with the employer and employee; assist the employee in obtaining appropriate medical care; and communicate with all other parties involved such as the medical provider and case worker.

RELEVANT LINKS:

[Minn. R. 5221.](#)

[Minn. Stat. § 176.221.](#)

Sample Form, [Work Ability/Return to Work.](#)

Sample Form, [Job Demands.](#)

Sample Form, [Employer Job Offer.](#)

B. Employer responsibilities

It is the responsibility of the employer to update the claims adjuster with any information that may directly impact the handling of the claim. This is not limited to but can include the following: return to work either part-time or full-time; secondary employment; activities outside the employee's restrictions; and health or personal issues.

Do not pay medical bills for an employee's work-related injuries. First, it may be illegal to do so. Second, by paying a bill, the employer may be legally accepting liability for an injury which is not really work-related. Third, because of the medical fee schedule, LMCIT can often pay less than what the medical provider charges.

Promptly send to LMCIT all injury-related medical bills that you or the employee receive. Before paying, LMCIT will request medical records to ensure the bill is related to the work injury. Medical providers often bill only one party, so if you receive a bill, it probably means that LMCIT has not. The law allows up to 30 days from the date LMCIT receives those records to pay a bill.

C. Return to work

In cases where an injured employee is unable to perform his or her full, regular job duties, the primary medical provider should provide a report of work ability after each appointment. Ideally, appointments should be scheduled at least every other week. Failure to attend medical appointments can jeopardize benefit entitlement.

After every appointment, the employee should provide you with his or her work ability form, which should be reviewed together. Discuss restrictions with the employee to determine if accommodations can be made to return the employee to work.

If the employer is able to accommodate the restrictions and offer light duty work, complete the Job Demands and Employer Job Offer forms. These forms will document what the restrictions are, what work is being provided, and how long the restrictions are in effect. The forms should be updated every time there are changes on the work ability form.

Always call your claim adjuster right away if the updated restrictions will cause a change in work status or if the employee fails to return to work as scheduled. And, if the employee is able to return to work fully, call your adjuster. LMCIT can then discontinue lost time benefits and avoid the possibility of overpaying your employee.

RELEVANT LINKS:

Cheryl Brennan
Loss Control Field Service
Manager
651.215.4079
800.925.1122
cbrennan@lmc.org

IV. Injury management

The most important aspect of injury management is an awareness of the injured employee's progress through the medical treatment plan. Progressive movement should be expected, and early intervention implemented when an employee is not making progress. Lack of progress can be the result of failure to attend medical appointments, inappropriate treatment, excessive physical activity, or even malingering. Collaborative effort on the part of the employer and the claim adjuster is essential.

Do not ignore injured employees. Communicate with them regularly and let them know you are concerned about them. It is especially important if they are losing time from work that you keep them mentally "connected" to their job. If at all possible, provide light duty or part-time work to help return them to health and productivity as soon as possible. This is not only good for your employees, but it also helps to reduce your claim costs.

For your benefit and assistance, LMCIT offers safety services which can be tailored to your needs to help prevent work-related injuries. Loss control representatives are available for consultation regarding safety in the workplace and for safety surveys of your facilities. They can also assist you in complying with OSHA regulations and the development of your own accident prevention and loss control programs. These services are at no additional charge to you.