

WORKERS' COMPENSATION JANUARY 1, 2016 BENEFIT RATES

The U.S. Department of Labor has reported an increase in California's State Average Weekly Wage (SAWW) for the period ending March 31, 2015, at \$1,120.67, compared to last year's SAWW at \$1,095.70. Therefore, effective January 1, 2016, the temporary disability rates will increase as follows:

EFFECTIVE FOR DATES OF INJURY ON OR AFTER JANUARY 1, 2016:

The minimum weekly Temporary Total Disability (TTD) rate will increase to \$169.26. This means that employees with weekly earnings below \$253.89 will be entitled to the minimum TTD rate.

The maximum weekly TTD rate will increase to \$1,128.43. This means that employees with weekly earnings of \$1,692.64 or higher will be entitled to the maximum TTD rate.

Temporary Disability benefits paid more than two years from date of injury will also be subject to the new statutory benefit rate increase.

| TEMPORARY DISABILITY WEEKLY RATES | | | | |
|-----------------------------------|---|---|---|---|
| Effective Date | Average Weekly Min Earnings | Minimum Weekly TD Rate | Average Weekly Max Earnings | Maximum Weekly TD Rate |
| January 1, 2011 | \$222.00 | \$148.00 | \$1,480.04 | \$986.69 |
| January 1, 2012 | \$227.35 | \$151.57 | \$1,515.74 | \$1,010.50 |
| January 1, 2013 | \$240.00 | \$160.00 | \$1,600.07 | \$1,066.72 |
| January 1, 2014 | \$241.78 | \$161.19 | \$1,611.96 | \$1,074.64 |
| January 1, 2015 | \$248.23 | \$165.49 | \$1,654.93 | \$1,103.29 |
| January 1, 2016 | \$253.89 | \$169.26 | \$1,692.64 | \$1,128.43 |
| January 1, 2017 | \$253.89 + the percent increase in the SAWW | \$169.26 + the percent increase in the SAWW | \$1,692.64 + the percent increase in the SAWW | \$1,128.43 + the percent increase in the SAWW |

Under Labor Code section 4659(c), injured workers with dates of injury on or after January 1, 2003 who are receiving life pensions (permanent disability between 70% and 99%) or Permanent Total Disability (PTD) benefits are also entitled to have their weekly Life Pension (LP) or PTD rate adjusted based on changes in the SAWW.

If you have any questions regarding the information contained in this *Briefing*, please feel free to contact your Account Executive, Claims Analyst or Carmella Harrison, Assistant Vice President, at 310.212.0363 ext. 3738 or charrison@keenan.com.

Keenan & Associates is not a law firm and no opinion, suggestion, or recommendation of the firm or its employees shall constitute legal advice. Clients are advised to consult with their own attorney for a determination of their legal rights, responsibilities and liabilities, including the interpretation of any statute or regulation, or its application to the clients' business activities.