

WORKERS' COMPENSATION BENEFIT RATES: INCREASE JANUARY 1, 2018

The Division of Workers' Compensation (DWC) announced that the 2018 minimum and maximum Temporary Total Disability (TTD) rates will increase effective January 1, 2018.

In 2002, AB 749 was signed into law amending Labor Code section 4453(a) requiring the rates for TTD be increased by an amount equal to the percentage increase in the State Average Weekly Wage (SAWW), as reported by the U.S. Department of Labor for the 12 prior months ending March 31st.

The SAWW increased from \$1,164.51 to \$1,206.92 which was an increase of 3.642% for the 12 months ending March 31, 2017.

EFFECTIVE FOR DATES OF INJURY ON OR AFTER JANUARY 1, 2018

The minimum weekly TTD rate will increase from \$175.88 to \$182.29. For employees earning below \$273.44 weekly, they will be entitled to the minimum TTD rate.

The maximum weekly TTD rate will increase from \$1,172.57 to \$1,215.27. For employees earning \$1,822.91 or more weekly, they will be entitled to the maximum TTD rate.

TEMPORARY DISABILITY WEEKLY RATES				
Effective Date	Average Weekly Min Earnings	Minimum Weekly TD Rate	Average Weekly Max Earnings	Maximum Weekly TD Rate
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	\$263.82	\$175.88	\$1,758.85	\$1,172.57
January 1, 2018	\$273.44	\$182.29	\$1,822.91	\$1,215.27
January 1, 2019	\$273.44 + the percent increase in the SAWW	\$182.29 + the percent increase in the SAWW	\$1,822.91 + the percent increase in the SAWW	\$1,215.27 + the percent increase in the SAWW

Regardless of the date of injury, claims that involve TTD benefits paid more than two years from the date of injury and injured employees with dates of injury on or after January 1, 2003 who are receiving life pension (permanent disability between 70% and 99%) or Permanent Total Disability (PTD) benefits are also subject to the new statutory benefit rate increase.

A comprehensive Workers' Compensation Benefit Summary is available on P&C Bridge.

If you have any questions regarding the information contained in this *Briefing*, please feel free to contact your Keenan HealthCare Account Executive, Claims Analyst, or Christine Gerbasi, Vice President, at 310.212.0363 ext. 3760 or cgerbasi@keenan.com.

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