



The Commonwealth of Massachusetts

Department of Industrial Accidents

600 Washington Street

Boston, MA 02111

JOEL M. PRESSMAN
COMMISSIONER

OCTOBER 14, 1988

TO: ALL INTERESTED PARTIES

FROM: MARY PIGGOTT, DIRECTOR, DIVISION OF ADMINISTRATION

SUBJECT: COST OF LIVING ADJUSTMENTS AND NEW STATE AVERAGE WEEKLY WAGE

CIRCULAR LETTER 239

This Circular Letter, which supersedes Circular Letter No. 227, should be used to determine the proper amount of an adjustment to compensation under G.L. c.152, §34B. To calculate the adjustment,* multiply the claimant's unadjusted weekly compensation by the multiplier for the claimant's year of injury. The multiplier can be found in the attached table. For the purpose the calculation, the year of injury begins on October 1st and ends of September 30th.

Please also be advised that the average weekly wage determined under subsection {2} of §29 of Chapter 151A and promulgated by the Director of Employment and Training is \$444.20.

Therefore, for injuries occurring on or after October 1, 1988 the maximum weekly incapacity compensation is two-thirds of the employee's average weekly wage but not more than \$444.20

{*If the claimant is receiving social security disability benefits the adjusted compensation should be capped at the point where one more dollar in such compensation would have the effect of reducing any social security disability benefits the claimant is receiving. To determine whether and how such a cap should be applied, please refer to the Circular Letter dated October 22, 1986.}

TABLE OF MULTIPLIERS

<u>YEAR OF INJURY</u>	<u>MULTIPLIER</u>
1938	15.453615
1939	14.951912
1940	14.997204
1941	13.633822
1942	12.394383
1943	11.267621
1944	10.810974
1945	10.548297
1946	10.004914
1947	9.188992
1948	8.532129
1949	8.405799
1950	7.944340
1951	7.358217
1952	7.062480
1953	6.745126
1954	6.551524
1955	6.258905
1956	5.938280
1957	5.695402
1958	5.493332
1959	5.224369
1960	5.064244
1961	4.903848
1962	4.722379
1963	4.580713
1964	4.369191
1965	4.225761
1966	4.044734
1967	3.876204
1968	3.657231
1969	3.395059
1970	3.379770
1971	3.177052
1972	2.959219
1973	2.846420
1974	2.703404
1975	2.533571
1976	2.369909
1977	2.221753
1978	2.094988
1979	1.948078
1980	1.803884
1981	1.640490
1982	1.491355
1983	1.386868
1984	1.302410
1985	1.232178
1986	1.158068
1987	1.080779
1988	



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TABLE OF ADJUSTED MULTIPLIERS FOR COMPUTING WC COLA'S

YEAR	SAWM	ANNUAL CHANGE	CAPPED ANNUAL	ADJ. MULT.
1938	25.63	1.03355	1.03355	15.453615
1939	26.49	0.99698	0.99698	14.951912
1940	26.41	1.13555	1.10000	14.997204
1941	29.99	1.18339	1.10000	13.633822
1942	35.49	1.10735	1.10000	12.394383
1943	39.30	1.04224	1.04224	11.267621
1944	40.96	1.02490	1.02490	10.810974
1945	41.98	1.05431	1.05431	10.548297
1946	44.26	1.08879	1.08879	10.004914
1947	48.19	1.07699	1.07699	9.188992
1948	51.90	1.01503	1.01503	8.532129
1949	52.68	1.05809	1.05809	8.405799
1950	55.74	1.07966	1.07966	7.944340
1951	60.18	1.04187	1.04187	7.358217
1952	62.70	1.04705	1.04705	7.062480
1953	65.65	1.02955	1.02955	6.745126
1954	67.59	1.04675	1.04675	6.551524
1955	70.75	1.05399	1.05399	6.258905
1956	74.57	1.04264	1.04264	5.938280
1957	77.75	1.03678	1.03678	5.695402
1958	80.61	1.05148	1.05148	5.493332
1959	84.76	1.03162	1.03162	5.224369
1960	87.44	1.03271	1.03271	5.064244
1961	90.30	1.03843	1.03843	4.903848
1962	93.77	1.03093	1.03093	4.722379
1963	96.67	1.04841	1.04841	4.580713
1964	101.35	1.03394	1.03394	4.369191
1965	104.79	1.04476	1.04476	4.225761
1966	109.48	1.04348	1.04348	4.044734
1967	114.24	1.05987	1.05987	3.876204
1968	121.08	1.07722	1.07722	3.657231
1969	130.43	1.00452	1.00452	3.395059
1970	131.02	1.06381	1.06381	3.379770
1971	139.38	1.07361	1.07361	3.177052
1972	149.64	1.03963	1.03963	2.959219
1973	155.57	1.05290	1.05290	2.846420
1974	163.80	1.06703	1.06703	2.703404
1975	174.78	1.06906	1.06906	2.533571
1976	186.85	1.06668	1.06668	2.369909
1977	199.31	1.06051	1.06051	2.221753
1978	211.37	1.07541	1.07541	2.094988
1979	227.31	1.07993	1.07993	1.948078
1980	245.48	1.09960	1.09960	1.803884
1981	269.93	1.10343	1.10000	1.640490
1982	297.85	1.07534	1.07534	1.491355
1983	320.29	1.06485	1.06485	1.386868
1984	341.06	1.05700	1.05700	1.302410
1985	360.50	1.06399	1.06399	1.232178
1986	383.57	1.07151	1.07151	1.158068
1987	411.00	1.08078	1.08078	1.060779
1988	444.20	1.00000	1.00000	



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Joel M. Pressman
COMMISSIONER

617-727-4900

TO: All Interested Parties

FROM: Mary A. Piggott
Director of Administration

DATE: _____

SUBJECT: Cost-of-Living Adjustment (COLA)

I. Cost-Of-Living Adjustment (COLA)

A change in the State's WC law provides for a COLA in WC payments for certain WC recipients. The COLA applies to workers who have been entitled to WC for a specific period of months and is payable as long as the increase would not cause additional offset in SSA benefits. The COLA is paid effective each November 1, beginning in 1986. This change in the WC law is not a reverse offset plan. To assist WC insurers to determine if a COLA is payable, SSA will provide DIB payment information to them upon request via the State's form (CR-28). District offices (DOs) should forward any requests for DIB payment information for a worker receiving Massachusetts WC to:

Social Security District Office
10 Causeway Street Room 148
Boston, MA. 02222-1098

Attention: WC Unit

The Boston DO will obtain a full master beneficiary record (MBR). If the data on the MBR is sufficient, the Boston DO will complete Part III of form CR-28 and forward it directly to the requester. If folder review is required, the Boston DO will forward the form to the processing center (PC) of jurisdiction under cover of a route slip annotated "Attention Claims Authorizer - Massachusetts WC Case." The Boston DO will make a copy of the CR-28 for control purposes. The PC will complete Part III of the CR-28 and forward it directly to the requesting office.

Attachments

General Guidelines for the Insurer

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1. Offset applies to Social Security disability benefits and Supplemental Security Income (SSI) benefits only. It does not apply to other types of Social Security benefits (e.g., Retirement Benefits, Survivors Benefits).
 2. To determine if a COLA is payable, refer to the following:
 - A. Select larger of blocks E.1, E.2, or E.3 on Form CR-28. \$ _____
 - B. Enter monthly amount of workers' compensation currently being paid (include amounts to dependents).
\$ _____ *
* monthly workers' compensation = weekly rate X 13 ÷ 3
 - C. Enter larger of blocks E.1 or E.5 on Form CR-28. \$ _____
 - D. If A = B, then: increase of any amount can be paid without causing additional offset.
 - E. If A < B, then: increase of any amount can be paid without causing additional offset.
 - F. If A > B, then: generally, increase cannot be paid. **
** Exception: If A-B > C the maximum increase payable per month which would not affect Social Security disability would equal A-B-C.
 3. Remind the disabled worker that when he/she receives any increase in workers' compensation payments, he/she must notify Social Security of the increase.
 4. Generally, offset ends when the disabled worker attains age 65. Exception: For workers who became disabled prior to 03/01/81, or who first became entitled to disability benefits prior to 09/81, offset ends at age 62.
 5. Generally, any increase in workers' compensation will cause a dollar-for-dollar reduction in SSI payments. Therefore, an increase in workers' compensation generally cannot be paid if the worker is receiving SSI payments.

The above guidelines are general in nature and are provided for the express purpose of assisting the insurance company in determining if an increase in workers' compensation, pursuant to sections 34B and 35F of Chapter 152 of the Massachusetts Workers' Compensation Law, is due. Social Security assumes no responsibility for the accuracy of computations or workers' compensation benefits paid.

This form is designed so that recontact with SSA is unnecessary. Each year the insurer may refigure the monthly amount of workers' compensation by using this same worksheet.

STATE OF MASSACHUSETTS WORKERS' COMPENSATION COLA DATA FORM

I. IDENTIFICATION OF WORKER (To Be Completed By Requesting Office)

Worker's Name	Worker's Social Security Number
Employer's Name	Date of Accident
Signature of Requesting Official	Return Form to (Requester's Address)
Title	Date

II. WORKER'S AUTHORIZATION FOR RELEASE (To Be Completed By Worker)

To allow determination of the proper amount of workers' compensation payments, I hereby authorize release of the information requested below to the requesting official shown above. This authorization is valid for a period of 12 months from date shown below.

Worker's Signature	Date
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III. SOCIAL SECURITY INFORMATION (To Be Completed By The Social Security Administration)

- A. Partial offset involved. Any increase in workers' compensation payments will cause additional offset of Social Security disability payments.
- B. Offset does not apply effective with the date shown below. Any increase in workers' compensation can be paid beginning with that date without affecting Social Security disability payments.
- Worker age 62/65 _____ (month/year)
- Disability terminated _____ (month/year)
- C. We have no record of any Social Security benefits being paid to the worker under the above Social Security number. Please verify its accuracy and resubmit. Mark the new CR-28 "Second Request - SSN Corrected."
- D. Worker is receiving Social Security payments other than disability or disability claim denied.
- E. If A, B, C, or D do not apply, complete the following:

1. Total Family Benefits (as of first possible month of offset) _____
2. 80% Average Current Earnings (ACE) _____
3. Redetermined ACE (only if applicable) _____
4. Redetermined ACE Effective Date (month/year) _____
5. Total benefits payable as of date in item 4 but before redetermination _____

- F. Supplemental Security Income _____

SSA Representative Signature	Circle One	Date
	DO PSC ODO	

Attention: Requesting Official (Retain this document in your files for future reference.)