



James J. Campbell
Commissioner

The Commonwealth of Massachusetts

Department of Industrial Accidents

*600 Washington Street
Boston, Mass. 02111*

CIRCULAR LETTER NO. 287

TO: All Interested Persons

FROM: James J. Campbell, Commissioner

RE: COLA Payment and Reimbursement Schedules; Maximum and Minimum Weekly Compensation Rates; and Attorneys' Fee Schedule

DATE: October 1, 1996

This Circular Letter should be used to determine all of the following:

- (a) The maximum weekly benefits payable under M.G.L. c. 152 (prior to the application of any cost-of-living adjustment required under the statute);
- (b) The minimum compensation rates payable under §34 and §34A;
- (c) The proper amounts of adjustments to compensation required under §34B and §35F for injuries occurring before 12/24/91;
- (d) The proper amounts of adjustments to compensation required under §34B and §35F for injuries occurring on or after 12/24/91;
- (e) The reimbursement amount payable to insurers for COLAs paid on permanent and total or survivors' benefits for injuries occurring on or before October 1, 1986;
- (f) The reimbursement amount payable to insurers for COLAs paid on permanent and total or survivors' benefits for injuries occurring subsequent to October 1, 1986 but before December 24, 1991; and
- (g) Attorneys' fee schedule for claims involving injuries occurring on or after December 24, 1991.

The average weekly wage in the Commonwealth (SAWW) effective October 1, 1996, as determined under subsection (2) of §29 of Chapter 151A and promulgated by the Director of Employment and Training, is \$631.03. [Please consult Table III].

An illustration of the application of this newly established SAWW on weekly benefit rates for claims involving injuries occurring on or after October 1, 1996 is as follows:

The weekly compensation rate for temporary and total disability benefits under §34 shall equal sixty percent of the employee's average weekly wage before the injury, but no more than a maximum weekly compensation rate equal to \$631.03 (one hundred percent of the present SAWW), unless the average weekly wage of the employee is less than the minimum weekly compensation rate of \$126.21 (twenty percent of the present SAWW), in which case said weekly compensation shall equal the employee's average weekly wage. The weekly compensation rate for permanent and total benefits under §34A shall equal two-thirds of the employee's average weekly wage before the injury, but no more than the maximum weekly compensation rate of \$631.03 nor less than the minimum weekly compensation rate of \$126.21.

[Recipients of total disability benefits under §34 and §34A for claims involving injuries occurring before October 1, 1996 should consult Table I of this Circular Letter and previous Circular Letters setting forth the requirements of M.G.L. c. 152 and 452 CMR 3.06.]

The schedule of adjusted attorney's fees is contained in Table II. Please note that the new rates apply only to cases involving injuries on or after December 24, 1991. For cases involving injuries before December 24, 1991, the fees remain as set out in §13A.

A COLA request form is attached. This form may be reproduced in the event additional copies are required.

[*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 benefit the claimant is receiving. To determine whether and how such a cap should be applied, please refer to Circular Letter 227 dated October 22, 1986.]

Requests for reimbursements should be submitted at the close of each quarter of the calendar year. Requests submitted during the first calendar quarter of 1997 should be for reimbursements of monies paid during the last calendar quarter of 1996. Please note that, pursuant to §34B(c), reimbursements will be denied to any insurer that has paid supplemental benefits prior to 24 months from the recipient's date of injury.

To apply for reimbursements under §34B(c) for cost-of-living adjustments as calculated above, please complete the attached forms, and forward them to the address given below.

Insurers are entitled to quarterly reimbursements from the Workers' Compensation Trust Fund (WCTF) for certain supplemental benefits (cost-of-living adjustments). When supplemental benefits are paid to permanently and totally disabled recipients or survivors under §34A or §31 as outlined above, complete reimbursement is made where the injury occurred on or before October 1, 1986 using column five. If the injury occurred after that date, the amount reimbursable can be calculated by using the REIMBURSEMENT FACTOR (the amount in the eleventh column of the table). For injuries occurring on or after 12/24/91, there is no reimbursement from the WCTF for COLA adjustments made under §34B. Furthermore, there are no reimbursements from the Workers' Compensation Trust Fund for COLA adjustments under §35F for any claim involving the payment of temporary, partial disability benefits under §35.

(COLA) As for persons receiving partial benefits under §35 are payable only to those employees with an injury date on or after January 1, 1986 but before December 24, 1991 whose injury occurred at least three years prior to this review date. To calculate the adjustment under §35F* multiply the claimant's unadjusted weekly compensation by the ADJUSTED MULTIPLIER FOR PARTIAL COMPENSATION (the amount in the tenth column in the attached Table I) for the claimant's year of injury.

To calculate the adjustment under §34B* multiply the claimant's unadjusted weekly compensation by the ADJUSTED MULTIPLIER FOR TOTAL COMP (the amount in the fifth column of the attached table for injuries occurring before December 24, 1991 or the amount in the eighth column for injuries occurring on or after December 24, 1991) in the attached table for the claimant's year of injury. For the purpose of calculating adjustments or reimbursements, the year of injury begins on October 1st and ends on September 30th of each year. To be eligible for a COLA under §31 or §34A the date of injury must have occurred at least two years prior to this review date (October 1, 1996).

Department of Industrial Accidents
Calculation of COLA Multipliers and Reimbursement Factors

Table I

Year	Statewide Average Weekly Wage (SAWW)	Annual SAWW Change	Capped Change, Pre 12/24/91	Section 34B Multiplier Pre 12/24/91 Reimbursement Factor Pre 10/2/86	Annual CPI Change	Capped Change, Post 12/23/91	Section 34B Multiplier, Post 12/23/91	Section 35F Capped Change	Section 35F Multiplier	Section 34B Reimbursement Factor Post 10/1/86
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)
1938	\$25.63	1.0336	1.0336	21.9542	-	-	-	-	-	-
1939	26.49	0.9970	0.9970	21.2414	-	-	-	-	-	-
1940	26.41	1.1356	1.1000	21.3057	-	-	-	-	-	-
1941	29.99	1.1834	1.1000	19.3688	-	-	-	-	-	-
1942	35.49	1.1074	1.1000	17.6080	-	-	-	-	-	-
1943	39.30	1.0422	1.0422	16.0073	-	-	-	-	-	-
1944	40.96	1.0249	1.0249	15.3585	-	-	-	-	-	-
1945	41.98	1.0543	1.0543	14.9854	-	-	-	-	-	-
1946	44.26	1.0888	1.0888	14.2135	-	-	-	-	-	-
1947	48.19	1.0770	1.0770	13.0543	-	-	-	-	-	-
1948	51.90	1.0150	1.0150	12.1211	-	-	-	-	-	-
1949	52.68	1.0581	1.0581	11.9416	-	-	-	-	-	-
1950	55.74	1.0797	1.0797	11.2861	-	-	-	-	-	-
1951	60.18	1.0419	1.0419	10.4534	-	-	-	-	-	-
1952	62.70	1.0470	1.0470	10.0333	-	-	-	-	-	-
1953	65.65	1.0296	1.0296	9.5824	-	-	-	-	-	-
1954	67.59	1.0468	1.0468	9.3073	-	-	-	-	-	-
1955	70.75	1.0540	1.0540	8.8916	-	-	-	-	-	-
1956	74.57	1.0426	1.0426	8.4362	-	-	-	-	-	-
1957	77.75	1.0368	1.0368	8.0912	-	-	-	-	-	-
1958	80.61	1.0515	1.0515	7.8040	-	-	-	-	-	-
1959	84.76	1.0316	1.0316	7.4220	-	-	-	-	-	-
1960	87.44	1.0327	1.0327	7.1945	-	-	-	-	-	-
1961	90.30	1.0384	1.0384	6.9866	-	-	-	-	-	-
1962	93.77	1.0309	1.0309	6.7089	-	-	-	-	-	-
1963	96.67	1.0484	1.0484	6.5075	-	-	-	-	-	-
1964	101.35	1.0339	1.0339	6.2071	-	-	-	-	-	-
1965	104.79	1.0448	1.0448	6.0033	-	-	-	-	-	-
1966	109.48	1.0435	1.0435	5.7461	-	-	-	-	-	-
1967	114.24	1.0599	1.0599	5.5067	-	-	-	-	-	-
1968	121.08	1.0772	1.0772	5.1956	-	-	-	-	-	-
1969	130.43	1.0045	1.0045	4.8232	-	-	-	-	-	-
1970	131.02	1.0638	1.0638	4.8014	-	-	-	-	-	-
1971	139.38	1.0736	1.0736	4.5134	-	-	-	-	-	-
1972	149.64	1.0396	1.0396	4.2040	-	-	-	-	-	-
1973	155.57	1.0529	1.0529	4.0437	-	-	-	-	-	-
1974	163.80	1.0670	1.0670	3.8405	-	-	-	-	-	-
1975	174.78	1.0691	1.0691	3.5993	-	-	-	-	-	-
1976	186.85	1.0667	1.0667	3.3668	-	-	-	-	-	-
1977	199.31	1.0605	1.0605	3.1564	-	-	-	-	-	-
1978	211.37	1.0754	1.0754	2.9762	-	-	-	-	-	-
1979	227.31	1.0799	1.0799	2.7676	-	-	-	-	-	-
1980	245.48	1.0996	1.0996	2.5626	-	-	-	-	-	-
1981	269.93	1.1034	1.1000	2.3305	-	-	-	-	-	-
1982	297.85	1.0753	1.0753	2.1187	-	-	-	-	-	-
1983	320.29	1.0648	1.0648	1.9702	-	-	-	-	-	-
1984	341.08	1.0570	1.0570	1.8503	-	-	-	-	-	-
1985	360.50	1.0640	1.0640	1.7505	-	-	-	1.0500	1.6093	-
1986	383.57	1.0715	1.0715	1.6452	-	-	-	1.0500	1.5327	0.1125
1987	411.00	1.0808	1.0808	1.5354	-	-	-	1.0500	1.4597	0.0757
1988	444.20	1.0681	1.0681	1.4207	-	-	-	1.0500	1.3902	0.0305
1989	474.47	1.0339	1.0339	1.3300	-	-	-	1.0339	1.3240	0.0080
1990	490.57	1.0509	1.0509	1.2863	-	-	-	1.0500	1.2808	0.0058
1991	515.52	1.0539	1.0539	1.2242	1.0370	1.0370	1.1480	1.0500	1.2186	0.0046
1992	543.30	1.0417	1.0417		1.0240	1.0240	1.1070	1.0417	-	-
1993	565.94	1.0348	1.0348		1.0280	1.0280	1.0811	1.0348	-	-
1994	585.66	1.0314	1.0314		1.0240	1.0240	1.0516	1.0314	-	-
1995	604.03	1.0447	1.0447		1.0270	1.0270	1.0270	1.0447	-	-
1996	631.03	1.0000	1.0000		1.0000	1.0000	1.0000	1.0000	-	-

Notes:

(2) Provided by the Massachusetts
Division of Employment and Training.

(3) (2) Year X / (2) Year(X-1).

(4) (3), subject to a maximum of 10%.

(5) Cumulative product of (4)

(6) Provided by Bureau of Labor
Statistics.

(7) Minimum of (4) and (6).

(8) Cumulative product of (7).

(9) (3) subject to a maximum of 5%.

(10) Cumulative product of (4) for 1992-1995.

(10) Cumulative product of (9) for 1991 & prior

(11) (5) - (10)

Table II**TABLE OF ATTORNEYS' FEES**

(NOTE: These new rates apply only to cases involving injuries occurring on or after 12/24/91.)

Pursuant to M.G.L. c. 152 § 13A(10), the dollar amounts specified for attorney's fees in section 13A, subsections 1 through 6 are changed effective 10/1/96 in accordance with § 34B(a) as follows:

SECTION 13A SUBSECTIONS	DOLLAR AMOUNT SPECIFIED	CHANGED TO
(1)	\$700.00	\$803.58
	\$350.00	\$401.79
(2)	\$1,000.00	\$1,148.01
	\$500.00	\$574.01
(3)	\$500.00	\$574.01
	\$250.00	\$287.01
(4)	\$700.00	\$803.58
	\$350.00	\$401.79
(5)	\$3,500.00	\$4,017.99
(6)	\$1,000.00	\$1,148.01

Table III

**Department of Industrial Accidents
Calculation of Weekly Benefits**

(1)	1996 Statewide Average Weekly Wage	\$631.03
(2)	Section 34--Temporary and Total Benefits	
	(a) Rate	60.00%
	(b) Maximum	\$631.03
	(c) Minimum	\$126.21
(3)	Section 34 --Permanent and Total Benefits	
	(a) Rate	66.67%
	(b) Maximum	\$631.03
	(c) Minimum	\$126.21

Notes:

(1) Provided by the Massachusetts Division of Employment and Training

(2),(3) Derived from (1), and MGL c.152, Section 34, as follows:

(2a),(3a) Maximum reimbursement rate.

(2b),(3b) (1).

(2c),(3c) 20% x (1).