

THE COMMONWEALTH OF MASSACHUSETTS EXECUTIVE OFFICE OF LABOR AND WORKFORCE DEVELOPMENT DEPARTMENT OF INDUSTRIAL ACCIDENTS

ROSALIN ACOSTA SECRETARY

KARYN E. POLITO LIEUTENANT GOVERNOR

CIRCULAR LETTER NO. 354

SHERI BOWLES, JD INTERIM DIRECTOR

TO:	All Interested Persons
FROM:	Sheri Bowles, Interim Director
RE:	Cost of Living Adjustments (COLA) Payment and Reimbursement Schedules & Requests; Maximum and Minimum Weekly Compensation Rates; Attorneys' Fee Schedule.
DATE:	October 9, 2019 (Effective October 1, 2019)

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

- (a) The maximum weekly benefits payable under M.G.L. c. 152;
- (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 December 24, 1991;
- (d) The proper amounts of adjustments to compensation required under §34B and §35F for injuries occurring on or after December 24, 1991;
- (e) The reimbursement amount payable to insurers for COLAs paid on permanent and total or survivors' benefits for injuries occurring <u>on or before</u> October 1, 1986;
- (f) The reimbursement amount payable to insurers for COLAs paid on permanent and total or survivors' benefits for injuries occurring <u>subsequent to</u> October 1, 1986 but <u>before</u> 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) <u>effective October 1, 2019</u> as determined under M.G.L. c. 151A, §29(2) and promulgated by the Director of Unemployment Assistance, is **\$1,431.66** [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, 2019 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 **\$1,431.66** (one hundred percent of the present SAWW), unless the average weekly wage of the employee is less than the minimum weekly compensation rate of **\$286.33** (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 disability benefits under §34A shall equal two-thirds (66.67%) of the employee's average weekly wage before the injury, but not more than the maximum weekly compensation rate of **\$1,431.66** nor less than the minimum weekly compensation rate of **\$286.33**.

[Recipients of total disability benefits under §34 and §34A for claims involving injuries occurring before October 1, 2019 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.]

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 Table I (see attached) 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, 2018).

COLAs for persons receiving partial benefits under §35 are payable <u>only</u> to those employees with an injury date on or after January 1, 1986 but before December 24, 1991 whose injury occurred at least <u>three</u> 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.

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 of Table I. 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 Table I). For injuries occurring on or after December 24, 1991, 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.

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.

Table I - 10-1-20'	10	C	Calculation c	of COLA Mu	ltipliers ar	nd Reim	bursei	ment Factor	s		
Table F - 10-1-20*	19										
				Section 34B Multiplier							
	Statewide Average Weekly Wage		Capped Change, Pre	Pre 12/24/91 Reimbursement			hange, Post	Section 34B Multiplier	Section 35F Capped		Section 34B Reimbursement
Year (1)	(SAWW)	Annual SAWW Change	12/24/91	Factor Pre 10/2/86	Annual CPI Chan	ge 12 (7)	23/91	Post 12/23/91	Change (9)	Section 35F Multiplier (10)	Factor Post 10/1/86 (11)
1938	\$25.63	1.0336	1.0336	49.4336				(0)	(9)	(10)	(11)
1939	\$26.49		0.9970	47.8288							
1940	\$26.41	1.1356	1.1000	47.9737							
1941	\$29.99	1.1834	1.1000	43.6124							
1942 1943	\$35.49 \$39.30	1.1074 1.0422	1.1000 1.0422	39.6476 36.0433							
1943	\$39.30	1.0422	1.0422	36.0433							
1945	\$41.98	1.0543	1.0543	33.7422							
1946	\$44.26		1.0888	32.0041							
1947	\$48.19	1.0770	1.0770	29.3942							
1948	\$51.90	1.0150	1.0150	27.2929							
1949 1950	\$52.68 \$55.74	1.0581 1.0797	1.0581 1.0797	26.8888 25.4127							
1950	\$60.18		1.0797	23.4127							
1952	\$62.70	1.0470	1.0470	22.5917							
1953	\$65.65		1.0296	21.5766							
1954	\$67.59	1.0468	1.0468	20.9573							
1955	\$70.75		1.0540	20.0212							
1956	\$74.57	1.0426	1.0426	18.9956						1	
1957	\$77.75		1.0368	18.2186							
1958 1959	\$80.61 \$84.76	1.0515 1.0316	1.0515 1.0316	17.5723 16.7119							
1959	\$87.44	1.0316	1.0316	16.1998							
1961	\$90.30	1.0327	1.0327	15.6867				1		1	
1962	\$93.77	1.0309	1.0309	15.1061						1	
1963	\$96.67	1.0484	1.0484	14.6530				1		1	
1964	\$101.35		1.0339	13.9763				1		1	
1965	\$104.79		1.0448	13.5176							
1966 1967	\$109.48 \$114.24	1.0435 1.0599	1.0435 1.0599	12.9385 12.3994							
1968	\$114.24		1.0399	11.6989							
1969	\$130.43	1.0045	1.0045	10.8603							
1970	\$131.02	1.0638	1.0638	10.8113							
1971	\$139.38	1.0736	1.0736	10.1629							
1972	\$149.64	1.0396	1.0396	9.4660							
1973	\$155.57	1.0529	1.0529	9.1053							
1974	\$163.80		1.0670	8.6477							
1975 1976	\$174.78 \$186.85		1.0691 1.0667	8.1045 7.5809							
1977	\$199.31	1.0605	1.0605	7.1070							
1978	\$211.37	1.0754	1.0754	6.7015							
1979	\$227.31	1.0799	1.0799	6.2316							
1980	\$245.48	1.0996	1.0996	5.7703							
1981	\$269.93		1.1000	5.2477							
1982	\$297.85		1.0753	4.7706							
1983 1984	\$320.29 \$341.06	1.0648 1.0570	1.0648 1.0570	4.4363 4.1662							
1985	\$360.50		1.0640	3.9416					1.0500	3.3005	0.6411
1986	\$383.57	1.0715	1.0715	3.7044					1.0500		0.5612
1987	\$411.00		1.0808	3.4573					1.0500		0.4636
1988	\$444.20		1.0681	3.1988					1.0500		0.3477
1989	\$474.47	1.0339	1.0339	2.9947					1.0339		0.2795
1990	\$490.57	1.0509	1.0509	2.8965			1 0070	4 7055	1.0500		0.2703
1991 1992	\$515.52	1.0539	1.0539 1.0417	2.7563	1.03		1.0370		1.0500		0.2551
1992	\$543.30 \$565.94	1.0417 1.0348	1.0417		1.02		1.0240				
1994	\$585.66		1.0340		1.02		1.0240				
1995	\$604.03		1.0447		1.02		1.0270				
1996	\$631.03	1.0547	1.0547		1.02	30	1.0230	1.4858	1.0500	D	
1997	\$665.55		1.0516		1.01		1.0160				
1998	\$699.91	1.0711	1.0711		1.02		1.0210				
1999 2000	\$749.69 \$830.89		1.1000 1.0723		1.02 1.03		1.0206				
2000	\$830.89 \$890.94		0.9906		1.03		0.9906				
2001	\$882.57	1.0021	1.0021		1.02		1.0021	1.3393			
2002	\$884.46		1.0388		1.02		1.0282				
2004	\$918.78	1.0433	1.0433		1.03	46	1.0346	1.2998	1.0433	3	
2005	\$958.58		1.0437		1.03		1.0365				
2006	\$1,000.43		1.0431		1.03		1.0361	1.2121			
2007	\$1,043.54		1.0477		1.02		1.0256				
2008 2009	\$1,093.27 \$1,094.70		1.0013 0.9939		1.03 1.00		1.0013				
2009 2010	\$1,094.70		1.0439		1.00		1.0197				
2010	\$1,135.82		1.0439		1.03		1.0305				
2012	\$1,173.06		1.0020		1.00		1.0070				
2013	\$1,181.28	1.0285	1.0285		1.01	36	1.0136	1.0831	1.0285	5	
2014	\$1,214.99		1.0341		1.01		1.0138				
2015	\$1,256.47		1.0281		0.99		0.9971				
2016	\$1,291.74		1.0359		1.02		1.0252				
2017 2018	\$1,338.05 \$1,383.41		1.0339 1.0349		1.01 1.01		1.0159				
2018	\$1,363.41		1.0349		1.01		1.0000				
2018	ψ1,431.00	1.0000	1.0000	I	1.00		1.0000	1.0000	1 1.0000	1	I

Notes: (2) Provided by the Massachusetts Division of Unemployment Assistance. (3) (2) Year X+1 / (2) Year X (4) (3), subject to a maximum of 10%.

Use Northeast Region CPI Use % diff between next and current yr SAWW Use % diff between current CPI and prev CPI

(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 (9) (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 10/1/2019 in accordance with §34B(a) as follows:

SECTION 13A SUBSECTIONS	DOLLAR AMOUNT SPECIFIED	CHANGED TO
(1)	\$700.00	\$1,193.96
	\$350.00	\$ 596.98
(2)	\$1,000.00	\$1,705.66
	\$500.00	\$ 852.83
(3)	\$500.00	\$ 852.83
	\$250.00	\$ 426.41
(4)	\$700.00	\$1,193.96
	\$350.00	\$ 596.98
(5)	\$3,500.00	\$5,969.79
(6)	\$1,000.00	\$1,705.66

Table III

Department of Industrial Accidents Calculation of Weekly Benefits

(1) 2019 Statewide Average Weekly Wage: \$1,431.66

Section 34 - Temporary and Total Disability Benefits (2)

(a) Rate	60.00%
(b) Maximum	\$1,431.66
(c) Minimum	\$ 286.33

(3) Section 34A - Permanent and Total Disability Benefits

(a) Rate	66.67%
(b) Maximum	\$1,431.66
(c) Minimum	\$ 286.33

Notes:

(1) Provided by the Massachusetts Division of Unemployment Assistance (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).

Requests for reimbursements should be submitted at the close of each quarter of the calendar year. Requests submitted during the first calendar quarter of 2020 should be for reimbursements of monies paid during the last calendar quarter of 2019. 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.

[*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. All requests for reimbursement must be accompanied by a completed CR-28 Form corresponding to the period for which reimbursement is sought. In addition, all prior years' CR-28 Form for each claimant who's COLA the insurer is seeking reimbursement must be submitted in FY 2020 to provide that any capital COLA offsets were taken and that no COLA was improperly paid.]

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.

Note: If you wish to receive future Circular Letters electronically, please send an e-mail with the subject line "Please add to Circular Letter list" to the Department of Industrial Accidents at the following address: Info2@dia.state.ma.us. Be sure you to include your name along with your current e-mail address.

Sincerely,

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Sheri Bowles Interim Director