

WISCONSIN



DWD

Advancements

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What's an Advancement?

Money paid ahead of scheduled monthly Permanent Partial Disability(PPD) payments.

- There must be confirmed PPD.
 - Conceded
 - Rated by doctor
 - Statutory minimums
- Usually after end of healing.



Authority for Advancements

§102.32(6m): state law that gives the Department or Division the authority to direct an advance payment of unaccrued compensation for PPD or death benefits.

Administrative Code 80.39: guidelines established for the Department to determine if the advancement is in the best interest of the injured worker.



Advancement Process

The injured worker asks for an advancement of funds or lump sum payout.

- If they call you, direct them to DWD at (608) 266-1340.

Our Department sends them the Advancement or Lump Sum Request (WKC-136) form.

The injured worker sends the completed form and supporting documentation back to the Department for review.

We review the request in accordance with the guidelines in DWD 80.39.



Advancement Process (cont.)

- If approved, DWD will fax or email the authorization for the advancement to the adjuster's attention.
- Payments are issued the same way the monthly PPD is paid. (Paper check or direct deposit)
- Payment of an advancement **does not** in any way replace, suspend, or reduce the amount of the monthly PPD owed. The monthly payment is not reduced, but the duration of payments is shorter.



Advancement Process (cont.)

We'll contact you to learn the current PPD status and to address possible issues with other parties who may be involved if a PPD advancement is paid, for example:

- Attorney fees
- Child support liens

If, after reviewing the request, the advancement is denied, the Department sends written explanation of the denial to the injured worker.



Advancements and PPD

- PPD payments must be current.
- Unpaid accrued PPD is subtracted from the advancement.
- Interest credit calculation is based on the amount of unaccrued PPD.
- **Important!** Overpayment of TTD is recouped at the end and not at the beginning of PPD payments.



Advancement Is Issued

- The Department needs to know the date the advancement was paid so we can calculate your 5% interest credit.
- Regular monthly PPD payments need to continue.
- Statute of Limitations does not change.
 - Remains original date of last PPD payment calculated.



Is It an Advancement?

An injured worker calls and asks to receive their monthly PPD check early as they are behind on rent payment.

If you are able to accommodate the request and send the check out a week early...

Is It an Advancement?

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Answer

No, *this is not an advancement.*

- You may issue regular monthly PPD payments early.
- The injured worker did not **specifically ask** for an advancement, so they do not need to speak with the Department.

Insurance carriers can now voluntarily issue all PPD prior to accrual date - but they cannot get an interest credit for early payments.



Calculating the 5% Interest Credit

- Insurance company issues payment and notifies the Department of date and amount.
- Interest Credits are calculated by Kathy Almeida.
kathrene.almeida@dwd.wisconsin.gov
- Kathy notifies the insurance carrier and injured worker of the interest credit amount.
- Kathy logs the interest credit amount in the pending report portal, where all other payments are shown.



Points to Remember

Generally, advancements are processed within 10 days of the Department receiving the request.

Advancements cannot be authorized if the injured worker is receiving Temporary Disability (TTD or TPD) or Permanent Total Disability (PTD) benefits.

If the Department denies the advancement request, we will send a letter to the claimant explaining our decision.



Points to Remember

- Only 3 advancements are allowed per calendar year.
- Insurance carriers can issue PPD prior to accrual date to close out the file earlier. If the insurance carrier issues an advancement without authorization from the Department, there is no interest credit.
- Advancement or Lump Sum Request form (WKC-136) is in the Forms Repository on the DWD WC website.



Advancements Contacts

A-C	Jasmine Decorah	608-266-0474
D-H	Jeanie Millard	608-267-3738
I-M	Jason Przybylo	608-405-4147
N-R	Gail Wickman	608-261-4895
S-Z	Phil Roberts	608-264-8783

Interest Credit Calculations

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Questions?

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