

STATE OF WISCONSIN



Department of Workforce Development

Fall 2025 Legal Update

Kelly M. McCormick and Sean M. Spencer

Administrative Law Judges, Bureau of Legal Services

Agenda

- Reunification of worker's compensation administrative and adjudicatory functions – 2025 Wis. Act 33
- WC Provisions in Biennial Budget Bill – 2025 Wis. Act 15
- Worker's Compensation Advisory Council (WCAC) Agreed-Upon Bill



Reunification

- 2025 Wis. Act 33, signed by Governor Evers on August 8, 2025, with an effective date of January 1, 2026
- Transfers all adjudicatory functions back to DWD from DHA-OWCH
- System returns to status prior to 2015 Act 55
- Continue to use litigated fax (608-260-3053); attorneys use Litigated Case Portal



Budget Bill – Act 15

- The Biennial Budget Bill, 2025 Wis. Act 15, included the following changes to the WC Act:
 - Established a WC medical fee schedule for certain Wisconsin hospitals
 - Provided for a six (6) year lag for increasing the benefit rate for PTD beginning with injuries on and after Jan. 1, 2026



Budget Bill – Act 15

- WC medical fee schedule for certain Wisconsin hospitals
- PTD rate increase



Agreed-Upon Bill

- The WCAC approved final language for this biennium's Agreed-Upon Bill on September 30, 2025.
- Awaiting introduction by Legislature
- Labor and Management agreed to adopt the provisions on the following slides



Agreed-Upon Bill

- Maximum PPD rate will increase to \$454 for injuries in 2026, and to \$462 for injuries in 2027
- Automatic “stacking” of minimum PPD under s. DWD 80.32 for repeat surgical procedures for the same injury will be prohibited



Agreed-Upon Bill

- Advanced Practice Registered Nurses (APRNs) and Physician's Assistants (PAs) will be authorized to give opinions on cause and extent of disability
- Doctors of Audiology (Au. D.) will be authorized to give opinions on diagnosis, necessity of treatment, cause, and extent of disability for hearing loss



Agreed-Upon Bill

- Traumatic injuries causing the need for shoulder replacements and reverse shoulder replacements will have no statute of limitations
- PTSD coverage as provided to law enforcement officers and full-time firefighters extended to ALL firefighters and emergency medical service practitioners



Agreed-Upon Bill

- When an employee is hospitalized, case management personnel cannot be restricted from access to records and involvement in care and discharge planning to ensure a safe discharge
- This does not allow employers or case management personnel to direct care



Agreed-Upon Bill

- Supplemental benefits will be increased for existing claims with injury dates through January 1, 2019, based on the maximum rate for injuries in 2020, and rates will be increased yearly thereafter.
- PTD recipients who are paid benefits from the Second Injury Fund will also receive supplemental benefits.



Agreed-Upon Bill

- Department of Vocational Rehabilitation records will be admitted into evidence at hearings without requiring the presence of the DVR counselor, unless subpoenaed



Agreed-Upon Bill

- Hearing applications:
 - Will only be accepted if there is a justiciable controversy
 - If there are no disputed issues, a pending hearing application is to be dismissed
 - Statute of Limitations is tolled while a hearing application is pending but is not extended



Agreed-Upon Bill

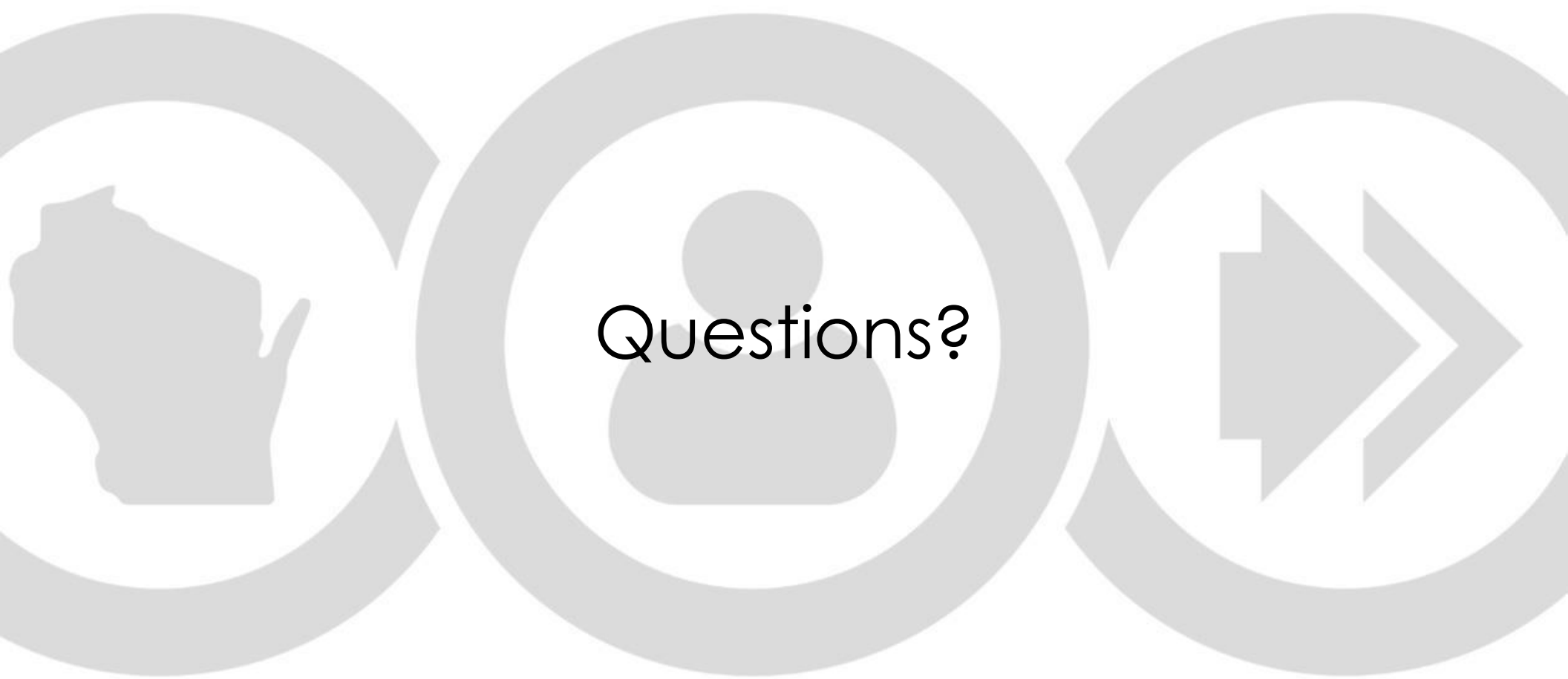
- Compromise Orders:
 - Restricted accounts will no longer be required
 - Payment under a compromise will not be considered an advancement
 - Will dismiss the pending hearing application
 - Case will close upon issuance of order



Agreed-Upon Bill

- The definition of insurance fraud will be expanded to include making false applications for coverage and employee misclassification to lower premiums. These acts will be added as criminally punishable.
- Will increase penalties and forfeitures for employers who repeatedly continue to operate without required WC insurance coverage





Questions?



DWD.WISCONSIN.GOV

Contact Info.

Administrative Law Judges

Kelly M. McCormick

608-261-6551

kellym.mccormick@dwd.wisconsin.gov

Sean M. Spencer

608-261-0048

sean.spencer1@dwd.wisconsin.gov



DWD.WISCONSIN.GOV

Important Contact Information

Division of Worker's Compensation

Phone: (608) 266-1340

Non-litigated Fax: (608) 260-2503

Litigated Fax: (608) 260-3053

