

## Worker's Compensation Insurance Letter

<b>INS #</b>	458
<b>Date</b>	December 27, 2005
<b>Program</b>	Claims Management
<b>Type</b>	New Process
<b>Replaces</b>	Insurance Letter 451



State of Wisconsin  
Department of Workforce Development

201 East Washington Avenue  
P.O. Box 7901  
Madison, WI 53707-7901  
Telephone: (608) 266-1340  
e-mail: DWDDWC@dwd.state.wi.us  
<http://www.dwd.state.wi.us/>

**To:** Insurance Carriers, Self Insured Employers and Claims Handling Offices  
**From:** Frances Huntley-Cooper, Division Administrator  
**Subject:** Worker's Compensation 2006 Rate Changes

**Purpose:** Announce 2006 maximum rates.

**Background:** The "Agreed Upon Bill", 2005 Senate Bill 474, was recently finalized by the Worker's Compensation Advisory Council and introduced into the Senate on Tuesday, December 13, 2005. We anticipate the bill's introduction into the Assembly early in 2006. Because the bill will not be acted upon in time for the start of the new year, this letter outlines changes that will take place on January 1, 2006. Once the bill becomes effective, we will advise you of additional changes in accordance with the new bill.

Wisconsin's maximum Worker's Compensation rate is \$676 per week for temporary total disability, permanent total disability and death benefits for injuries occurring on or after January 1, 2006. The new average weekly wage used to compute the maximum rate is \$1014.00. The maximum death benefit for fatal injuries occurring on or after January 1, 2006 is \$202,800. The weekly maximum benefit payable for supplemental benefits remains at \$233 for claims with dates of injury prior to May 13, 1980. The mileage reimbursement rate increases to 38.5 cents per mile for travel on or after January 1, 2006.

The language contained in the current s. 102.11(1), Wis. Stats., does not provide for a maximum weekly permanent disability (PPD) rate for injuries occurring after December 31, 2005. However, the "Agreed Upon Bill" contains a retroactive non-statutory provision that continues the 2005 maximum PPD compensation rate of \$242 per week for injuries occurring on or after January 1, 2006 until the new law becomes effective. When the new law goes into effect, the maximum average weekly wage for PPD purposes will be increased to \$378 resulting in a maximum PPD rate of \$252 per week.

The 2006 maximum limit for services provided to worker's compensation claimants by private vocational rehabilitation specialists increases by 3.3% to \$1312. This new rate applies regardless of the date of injury. When the Department of Workforce Development's Division of Vocational Rehabilitation (DVR) is unable to provide services to eligible injured workers, insurers are required to pay the reasonable and necessary vocational rehabilitation costs including the costs of services provided by the vocational rehabilitation specialists in the private sector.

**Action Requested:** Please inform all claim handlers of these changes. Request reimbursement of supplemental benefit payments under s. 102.44(1) Wis. Stats. on form WKC-140 for year 2005. You may copy the form printed on the reverse side of this letter.

**Inquiries:** A chart with detailed benefit payment information for 2006 is available on our web site at: <http://www.dwd.state.wi.us/dwd/publications/wc/WKC-9572-P.pdf>  
If you have any questions, please contact us at (608) 266-1340.

**Enclosure:** WKC-140 on reverse side