



Workers' Compensation – Employee Benefits

Workers' compensation is a system of no-fault insurance that provides monetary and medical benefits to employees or their survivors for work-related injuries, diseases and deaths. Workers' compensation is governed by state law.

The Indiana Worker's Compensation and Occupational Disease Acts (WC Acts) establish the benefits available to employees or their survivors. The [Workers' Compensation Board of Indiana](#) (Board) handles workers' compensation claims in the state.

DATE OF INJURY

Under the WC Acts, compensable conditions include both accidental injuries and occupational diseases that arise out of and in the course of employment. The "date of injury" for either condition determines the amount of benefits that are payable to an affected employee.

For an accidental injury, the date of injury is the date on which the accident occurred. For an occupational disease, the date of injury is the date on which the employee first became disabled from earning his or her full wages for the work he or she performed when last exposed to the hazards that caused the disease.

MEDICAL BENEFITS

Employers must provide prompt and adequate medical care to employees who sustain work-related conditions. This includes an obligation to provide an attending physician to an injured employee and to pay for any treatment the attending physician deems necessary for the employee's work-related condition.

Employers must also cover the costs of travel, lodging and meal expenses if an employee must travel outside of the county of employment to receive recommended treatment. In addition, the employer must pay the employee his or her regular wages for any work time he or she must miss in order to receive the treatment.

If an employer fails to provide an attending physician, the employee may receive treatment from any physician (of the employee's choice) at the employer's expense.

MONETARY BENEFITS

If an employee cannot return to work or sustains permanent physical impairments because of a work-related condition, he or she may be entitled to receive weekly payments called disability (or indemnity) benefits.

In addition, if an employee dies as the result of a work-related condition, his or her surviving dependents may receive weekly payments called death benefits and a lump sum to cover burial and funeral expenses.

Monetary workers' compensation benefits are immune from wage assignments and creditor claims, except in cases involving child support.

Weekly Benefit Basis and Limits – Average Weekly Wage (AWW)

An employee's weekly benefit amounts are percentages of his or her average week wage (AWW). In general, the AWW is determined by dividing the employee's total earnings over the 52 weeks prior to the date of injury by 52. However, the WC Acts impose limits on the AWW amount that may be used to calculate benefit rates. The most recent AWW limits are provided in the table below.

This guide is not intended to be exhaustive nor should any discussion or opinions be construed as legal advice. It is provided for general informational purposes only. It broadly summarizes state statutes and regulations generally applicable to private employers, but does not include references to other legal resources unless specifically noted. Readers should contact legal counsel for legal advice.

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AWW Limits		
Date of injury	Maximum	Minimum*
July 1, 2016 to June 30, 2017	\$1,170	\$75
July 1, 2015 to June 30, 2016	\$1,105	
July 1, 2014 to June 30, 2015	\$1,040	

*The AWW minimum does not apply for Permanent Partial Impairment (PPI) benefits.

Aggregate Benefit Limits

The total amount an employee (and his or her surviving dependents, if applicable) may receive in monetary benefits is also limited based on the date of injury. For any single compensable condition, the total dollar amount of all monetary benefits may not exceed the aggregate limits provided in the table below.

Aggregate Monetary Benefit Limits	
Date of Injury	Maximum Payable
July 1, 2016 to June 30, 2017	\$390,000
July 1, 2015 to June 30, 2016	\$368,000
July 1, 2014 to June 30, 2015	\$346,680

In addition, an employee (and his or her surviving dependents, if applicable) may not receive monetary benefits (other than PPI) for more than a total of **500 weeks**.

Waiting Period

An employee is not eligible to receive disability benefits for the first **seven days** of his or her inability to work. However, if the condition results in **more than 21 days** of disability, benefits for those first seven days must be paid retroactively.

Temporary Total Disability (TTD) Benefits

An employee may be entitled to TTD benefits if a work-related condition completely prevents him or her from working during the period of recovery from the condition. This recovery time is referred to as the healing period. The healing period ends when the attending physician determines that the employee has reached maximum medical improvement (MMI). TTD benefits are also payable if the employer cannot provide work within any medical restrictions imposed by the attending physician during the healing period.

Weekly TTD benefits are **66 and two-thirds percent** of the AWW. If an employer begins paying TTD benefits for an accidental injury, it may terminate the payments when the employee returns to any employment, even if the work is with another employer. If an employer begins paying TTD benefits for an occupational disease, it may terminate the payments if the employee returns to work with that same employer. An employer may also terminate TTD benefits if the employee:

- Dies;
- Refuses to undergo a medical exam as required by the WC Acts;
- Becomes unavailable for work for reasons other than the work-related condition;
- Has received 500 weeks of monetary benefits; or
- Has received the maximum monetary amount payable for the condition (as described above).

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Temporary Partial Disability (TPD) Benefits

If an employee's medical restrictions allow him or her to earn only a portion of the pre-injury wages by returning to work during the healing period, he or she may be entitled to weekly TPD benefits to offset the partial wage loss. TPD benefits are **66 and two-thirds percent of the difference** between the AWW and the weekly wages the employee earns. An employee may receive TPD benefits for **up to 300 weeks**. These payments are included in the aggregate 500-week maximum only if they follow a period of TTD payments.

In general, an employee will **not** be entitled to TPD benefits if he or she refuses the employer's offer of employment that is suitable to his or her capacity. Under these circumstances, however, the Board may award TPD benefits if it finds that the employee was justified in refusing the offer. Either way, an employer may not deny TPD benefits unless it first notifies the employee that refusing the job offer will result in a loss of these benefits.

Permanent Partial Impairment (PPI) Benefits

PPI benefits provide compensation for the permanent physical damage an employee sustains as a result of a work-related condition. This includes loss, or loss of use, of certain body parts or of the body as a whole. The amount an employee may receive in PPI benefits is determined by several factors, including a permanent impairment rating assigned by the attending physician after the employee reaches MMI.

PPI awards are calculated using a "degree system" outlined in the WC Acts. Under this system, amputations or complete losses of use of certain body parts or functions are assigned a specific degree value between one and 100. If an employee sustains only a partial loss of use to a body part or function, the impairment is worth the attending physician's impairment rating times the degree assigned to that body part or function in the WC Acts.

Depending on the date of injury, each degree is worth a specific dollar amount. These amounts are summarized in the table below. For certain body parts, an amputation will double the dollar amounts.

Dollar Amounts for Degrees of Permanent Impairment				
Date of injury	Degrees of Permanent Impairment			
	1-10	11-35	36-50	50-100
July 1, 2016 to June 30, 2017	\$1,750	\$1,952	\$3,186	\$4,060
July 1, 2015 to June 30, 2016	\$1,633	\$1,835	\$3,024	\$3,873
July 1, 2014 to June 30, 2015	\$1,517	\$1,717	\$2,862	\$3,687

Once a PPI award is calculated, the total amount is payable to the employee in weekly increments equal to **66 and two-thirds percent** of the AWW. However, if an employee received TTD benefits for more than 125 weeks, his or her PPI award may be reduced by the amount of TTD benefits received in excess of 125 weeks. In addition, PPI benefits for impairments other than to the body as a whole are included in the aggregate monetary benefit limits described above. Thus, most PPI awards may not exceed the difference between the applicable aggregate monetary limit and the amount the employee has already received in other disability benefits. However, no PPI benefits, regardless of the impairment, are included in the aggregate 500-week monetary benefit maximum.

Permanent Total Disability (PTD)

If a work-related condition causes an employee's total inability to earn wages on a permanent basis, the employee may be entitled to receive the greater of either:

- The PPI award for the permanent physical impairment causing the inability to work; or
- Weekly PTD benefits equal to **66 and two-thirds percent** of the AWW for the number of weeks remaining before he or she reaches the aggregate 500-week monetary benefit maximum.

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Death and Burial Benefits

If an employee dies a result of a work-related condition, weekly benefits may be payable to his or her surviving dependents, as long as the death occurs:

- Within **500 weeks** of the date of an accidental injury; or
- Within **two years** after the date of disablement from an occupational disease.

Death benefits are paid at a rate of **66 and two-thirds percent** of the deceased employee's AWW. Presumptive dependents, which include the deceased employee's surviving spouse and dependent children who are under age 21 and unmarried, are entitled to share this entire amount even if other surviving dependents exist.

If the deceased employee left no presumptive dependents, death benefits may be payable to any other survivors who depended on and were related to the deceased employee by blood or marriage.

Dependents may receive weekly benefits until the employer has paid an aggregate total of 500 weeks of benefits to any party in relation to the employee's work-related injury and resulting death.

Finally, employers must cover burial expenses of **up to \$7,500** for an employee who dies as a result of a work-related condition. This and all amounts paid in weekly death benefits are counted for purposes of the aggregate monetary benefit limits described above.

MORE INFORMATION

Contact Touchstone Consulting Group or visit the Board [website](#) for more information on workers' compensation laws in Indiana.