



Oregon

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BULLETIN NO. 347 September 18, 2007

TO: Workers' compensation insurers and self-insured employers

SUBJECT: Retroactive Program benefits effective October 1, 2007

This bulletin notifies insurers of:

- 1. the annual increase in Retroactive Program benefits, and**
- 2. the methods used to calculate these benefits and determine the amount of Retroactive Program reimbursement.**

COMPUTING TEMPORARY TOTAL DISABILITY (TTD) BENEFITS

On or after October 1, 2007, TTD benefits paid to **all** workers injured **prior** to July 1, 1973, are increased. TTD benefits paid to workers injured on or after July 1, 1973 through March 31, 1974, whose statutory TTD rate is less than **80 percent of the July 1, 2006 Average Weekly Wage** (\$577.14), are also increased.

Workers injured on or after April 1, 1974, are not entitled to Retroactive Program increases to their TTD benefits. (See Bulletin No. 111 (Rev.), dated June 5, 2007.)

TTD benefit increases, reimbursable from the Retroactive Program, are paid at 80 percent of the July 1, 2006 Average Weekly Wage level effective October 1, 2007, in the following manner:

- | | |
|--------------------------------|--|
| Worker's
Current
Benefit | 1(a) Determine weekly benefits by multiplying 66.67 percent of the worker's weekly wage at injury by the conversion factor for the year of injury. (See the Table of Yearly Conversion Factors on Page 2.) If the weekly benefit calculates to less than \$50, the benefit is increased to 90 percent of the weekly wage at the time of injury multiplied by the conversion factor or \$50, whichever is less. |
| | (b) 80 percent of the July 1, 2006 Average Weekly Wage is \$577.14. |
| | (c) Compare 1(a) with 1(b). The lesser figure is the worker's weekly TTD rate. |
| Retroactive
Reimbursement | 2(a) Determine TTD benefits due in accordance with the law in effect at the time of injury based on current marital and dependency status. To convert monthly benefit to weekly benefit, divide by 4.35. |
| | (b) The difference between 1(c) and 2(a) is the retroactive benefit, reimbursable from the Retroactive Program. |

Worker benefits are not to be reduced, even if computations under this bulletin indicate benefit levels less than currently paid.

TABLE OF YEARLY CONVERSION FACTORS

Injury date	Factor
1-1-66 through 6-30-66	6.81301
7-1-66 through 6-30-67	6.44364
7-1-67 through 6-30-68	6.28752
7-1-68 through 6-30-69	6.01492
7-1-69 through 6-30-70	5.69895
7-1-70 through 6-30-71	5.36499
7-1-71 through 6-30-72	5.13181
7-1-72 through 6-30-73	4.84767
7-1-73 through 3-31-74 (PTD & Certain TTD*)	4.60978
4-1-74 through 6-30-74 (PTD Only)	4.60978
7-1-74 through 6-30-75 (PTD Only)	4.33708
7-1-75 through 6-30-76 (PTD Only)	4.00416
7-1-76 through 6-30-77 (PTD Only)	3.69623
7-1-77 through 6-30-78 (PTD Only)	3.37464
7-1-78 through 6-30-79 (PTD Only)	3.21837
7-1-79 through 6-30-80 (PTD Only)	2.98482
7-1-80 through 6-30-81 (PTD Only)	2.76071
7-1-81 through 6-30-82 (PTD Only)	2.51474
7-1-82 through 6-30-83 (PTD Only)	2.36845
7-1-83 through 6-30-84 (PTD Only)	2.28135
7-1-84 through 6-30-85 (PTD Only)	2.22506
7-1-85 through 6-30-86 (PTD Only)	2.15623
7-1-86 through 6-30-87 (PTD Only)	2.09250
7-1-87 through 6-30-88 (PTD Only)	2.03197
7-1-88 through 6-30-89 (PTD Only)	1.94476
7-1-89 through 6-30-90 (PTD Only)	1.85462
7-1-90 through 6-30-91 (PTD Only)	1.77456
7-1-91 through 6-30-92 (PTD Only)	1.67888
7-1-92 through 6-30-93 (PTD Only)	1.62283
7-1-93 through 6-30-94 (PTD Only)	1.50627
7-1-94 through 6-30-95 (PTD Only)	1.47396
7-1-95 through 6-30-96 (PTD Only)	1.45909
7-1-96 through 6-30-97 (PTD Only)	1.39111
7-1-97 through 6-30-98 (PTD Only)	1.32099
7-1-98 through 6-30-99 (PTD Only)	1.25109
7-1-99 through 6-30-00 (PTD Only)	1.19996
7-1-00 through 6-30-01 (PTD Only)	1.14760
7-1-01 through 6-30-02 (PTD Only)	1.11850
7-1-02 through 6-30-03 (PTD Only)	1.10826
7-1-03 through 6-30-04 (PTD Only)	1.08469
7-1-04 through 6-30-05 (PTD Only)	1.04774
7-1-05 through 6-30-06 (PTD Only)	1.01188

* Use this conversion factor to compute TTD Retroactive Program benefits for workers receiving TTD at less than 80 percent of the July 1, 2006 Average Weekly Wage (\$577.14).

COMPUTING PERMANENT TOTAL DISABILITY (PTD) BENEFITS

Workers injured prior to July 1, 2006, are eligible for retroactive benefit increases effective October 1, 2007, as follows:

- | | |
|--------------------------------|---|
| Worker's
Current
Benefit | <ul style="list-style-type: none"> 1(a) Determine weekly benefits by multiplying 66.67 percent of the worker's weekly wage at the time of injury by the conversion factor for the year of injury (see the Table of Yearly Conversion Factors on Page 2). If the weekly benefit calculates to less than \$50 per week, the benefit is increased to \$50 per week minimum. 1(b) 90 percent of the July 1, 2006 Average Weekly Wage is \$649.29. 1(c) Compare 1(b) and 1(a). The lesser figure is the worker's weekly PTD rate. 1(d) For workers with dates of injury prior to October 23, 1999, add \$5 for each additional beneficiary, not to exceed five (5). Add 1(c) and 1(d). 1(e) Multiply the total of 1(c), and 1(d) when applicable, by 4.35 to determine the monthly PTD benefit. |
| Retroactive
Reimbursement | <ul style="list-style-type: none"> 2(a) Determine the monthly PTD benefit due in accordance with the law in effect at the time of injury based on current marital and dependency status. 2(b) The difference between 1(e) and 2(a) is the retroactive benefit, reimbursable from the Retroactive Program. |

To determine statutory and Retroactive Program benefits due for a partial month, divide the monthly benefit by the **ACTUAL NUMBER OF DAYS** in the month.

COMPUTING FATAL BENEFITS

Fatal benefits for injuries occurring prior to July 1, 2006, are increased to the July 1, 2006 fatal benefit levels. The maximum family benefit is \$4,184.19 per month, or \$2,092.25 per month for the eligible surviving spouse. Children's benefits are \$313.82 per month for each child as described in ORS 656.204(2)(b) or \$784.56 per month for each child who is not substantially dependent on the surviving spouse for support, as described in ORS 656.204(2)(c)*. The retroactive benefits are computed in the following manner:

1. For fatal claims occurring prior to July 1, 2006:
 - a. Determine the statutory benefit based on the injury date as modified by the current family status.

* Refer to ORS 656.204 to determine statutory benefit levels and any Retroactive Program benefit increases applicable to situations other than those described in ORS 656.204(2)(b) and ORS 656.204(2)(c).

- b. The difference between (a) and the July 1, 2006 benefit level is reimbursable from the Retroactive Program.

To determine statutory and Retroactive Program benefits due for a partial month, divide the monthly benefit by the **ACTUAL NUMBER OF DAYS** in the month.

- 2. For remarriage, regardless of the date of injury:
 - a. Determine the remarriage allowance by multiplying the spouse's current monthly benefit, including any Retroactive Program benefit increases, by 36.
 - b. Determine the surviving spouse's statutory remarriage allowance in accordance with the law in effect at the time of injury.
 - c. The difference between (a) and (b) is reimbursable from the Retroactive Program.
- 3. Burial benefits are determined as follows:
 - a. Determine the statutory benefit based on the date of injury.
 - b. The difference between (a) and the July 1, 2006 statutory level is the retroactive benefit, reimbursable from the Retroactive Program.

RECOVERY FROM THIRD PERSONS

Retroactive Program benefits are a portion of the paying agency's lien. Recovered Retroactive Program benefits are to be immediately reported and remitted to the Workers' Compensation Division.

ELIGIBILITY BASED ON INJURY DATE

The worker's injury must have occurred **PRIOR** to the following dates:

TTD	7-1-73
PTD	7-1-06
FATAL	7-1-06

Any questions about this bulletin may be addressed to the Compliance Section, Benefits and Certifications Unit, at (503) 947-7706.

/s/ Jerry Managhan for

John L. Shilts, Administrator
Workers' Compensation Division

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