

**This is the year of government. Many have prophesized that the people will rise up this year and restore justice.**

## **Workers' Disability Compensation Process in Michigan**

*Compiled by Shawndrica Simmons, Esq.*

### **The Workers' Compensation Agency**

Michigan's injured workers and their employers are governed by the Workers' Disability Compensation Act. This Act was first adopted in 1912 and provides compensation to workers who suffer an injury on the job and protects employers' liability. The mission of the Workers' Compensation Agency is to efficiently administer the Act and provide prompt, courteous and impartial service to all customers.

Workers' compensation is the system used to provide wage replacement, medical, and rehabilitation benefits to workers who suffer a work-related injury. The State of Michigan does not ordinarily pay workers' compensation benefits. Most employers in Michigan purchase an insurance policy from a private insurance company or they are authorized to be self-insured.

### **Information Workers Need to Know**

#### **Remember – You must report your injury to your employer immediately!**

If you are injured on the job, report the injury to your employer immediately in writing. Keep a copy of all documents provided to the Employer.

#### **Medical Care**

Medical benefits should be provided from the day of injury. You are entitled to reasonable and necessary medical care for work-related injuries or diseases. Employers or their insurance carriers are required by law to provide these services.

During the first 28 days of treatment, your employer has the right to choose the doctor. After that, you are free to change doctors providing that you notify your employer and insurance company, preferably in writing. If you receive treatment from a physician of your choice, you shall obtain and promptly furnish a report to your employer. You do not need authorization from the insurance company or your employer to be medically treated, as long as the treatment is reasonable and necessary, and your claim is not in dispute.

You should not receive a bill from a health care provider for treatment of a covered work-related injury or illness. If you do receive such a bill, you should contact your employer or the employer's insurance carrier.

#### **Wage Loss Benefits**

There is a seven-day waiting period to be eligible for wage-loss benefits. If your wage loss lasts longer than seven consecutive days (including weekends and holidays), you are entitled to benefits starting on the eighth day. If your wage loss continues for 14 days or longer, you are entitled to payment for that first week of disability. These benefits may be claimed as long as a disability and wage loss continue. Weekly benefits are roughly 80 percent of your after-tax wages.

#### **Vocational Rehabilitation**

Under the Michigan Workers' Disability Compensation Act, injured employees are entitled to assistance in returning to work. Section 319 of the Act provides that a worker has a right to vocational rehabilitation benefits. If you are unable to perform the work that you have done previously, you are entitled to vocational rehabilitation. The number one goal is your return to work with your employer. If you cannot do this or require assistance in finding a new job, vocational rehabilitation services can help.

## **Workers' Disability Compensation Process in Michigan (continued)**

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### **Filing a Claim**

If your employer will not file a claim for you, you may file form [WC-117](#) with the Agency. If your claim is disputed by the insurance company or self-insured employer, you may need to file a form WC-104A, Application for Mediation or Hearing.

If you have questions or need help, call 1-888-396-5041 or email the Agency at [wcinfo@michigan.gov](mailto:wcinfo@michigan.gov).

### **Information Employers Need to Know**

Nearly all employers in Michigan are subject to the Workers' Disability Compensation Act. The law requires that every covered employer must provide some way of assuring that benefits are paid to its workers if they become injured while on the job. Most employers do this by purchasing an insurance policy from a private insurance company. However, some employers are granted self-insured status, and others join a group fund. The Michigan Economic Development Corporation (MEDC) and the Michigan Business One Stop websites offer detailed information on workers' compensation insurance coverage.

If a worker is injured on the job, you must ensure that reasonable and necessary medical treatment is provided promptly. Report all claims to your insurance carrier. Filing a form [WC-100](#) with the Workers' Compensation Agency and your insurance carrier is required whenever there is disability exceeding seven consecutive days, death, or specific loss.

- For information on insurance coverage requirements and exclusions, call our Insurance Compliance Division at 1-517-322-1195.
- For information on self-insurance and group funds, call our Self-Insured Programs Division at 1-517-322-1868.

### **What workers are covered under this law?**

There are a few classes of workers who are covered by federal laws and are **not** covered by the Workers' Disability Compensation Act of Michigan. Employees of the federal government (such as postal workers, employees at a veteran's administration hospital, or members of the armed forces) are covered by federal laws. People who work on interstate railroads are covered by the Federal Employers Liability Act. Seamen on navigable waters are covered by the Merchant Marine Act of 1920, and people loading and unloading vessels are covered by the Longshoremen's and Harbor Workers' Compensation Act. Virtually all other workers and employers are subject to Michigan's law.

Certain very small employers are exempt. If a private employer has three or more employees at any one time, or employs one or more workers for 35 or more hours per week for 13 or more weeks, the employer is subject to the Workers' Disability Compensation Act. (*Section 115*) Agricultural employees are exempt under certain special circumstances. An agricultural employer, however, may voluntarily cover its workers. The **employees** of a sole proprietorship are covered by the Workers' Disability Compensation Act, but the sole proprietor (the person who owns the business) is "self-employed." He or she is not an employee of anyone and accordingly is not covered by the Act. The **employees** of partnerships and corporations are covered.

**There are severe penalties for the failure of an employer to provide workers' compensation coverage. The employer may be subject to a fine of \$1,000 or imprisonment for not less than 30 days nor more than 6 months, or both. Each day for which the employer is uninsured is considered a separate offense.**