By the Committee on Financial Services and Representatives Safley, Bainter and Flanagan

A bill to be entitled An act relating to workers' compensation; amending s. 440.15, F.S.; providing an exception to certain benefit repayment requirements for employees; providing a definition; providing application; providing a method for determining workers' compensation benefits when in combination with certain other benefits; providing for the exclusion of certain supplemental payments; providing an effective date.

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Be It Enacted by the Legislature of the State of Florida:

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Section 1. Paragraph (f) of subsection (1) and subsection (13) of section 440.15, Florida Statutes, are amended, and subsection (14) is added to said section, to read:

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440.15 Compensation for disability.--Compensation for disability shall be paid to the employee, subject to the limits provided in s. 440.12(2), as follows:

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(1) PERMANENT TOTAL DISABILITY. --

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(f)1. If permanent total disability results from injuries that occurred subsequent to June 30, 1955, and for which the liability of the employer for compensation has not been discharged under s. 440.20(12), the injured employee shall receive additional weekly compensation benefits equal to 5 percent of her or his weekly compensation rate, as established pursuant to the law in effect on the date of her or his injury, multiplied by the number of calendar years 31 since the date of injury. The weekly compensation payable and

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the additional benefits payable under this paragraph, when combined, may not exceed the maximum weekly compensation rate in effect at the time of payment as determined pursuant to s. 440.12(2). Entitlement to these supplemental payments shall cease at age 62 if the employee is eligible for social security benefits under 42 U.S.C. s.ss.402 or s.and 423, whether or not the employee has applied for such benefits. These supplemental benefits shall be paid by the division out of the Workers' Compensation Administration Trust Fund when the injury occurred subsequent to June 30, 1955, and before July 1, 1984. These supplemental benefits shall be paid by the employer when the injury occurred on or after July 1, 1984. Supplemental benefits are not payable for any period prior to October 1, 1974.

- 2.a. The division shall provide by rule for the periodic reporting to the division of all earnings of any nature and social security income by the injured employee entitled to or claiming additional compensation under subparagraph 1. Neither the division nor the employer or carrier shall make any payment of those additional benefits provided by subparagraph 1. for any period during which the employee willfully fails or refuses to report upon request by the division in the manner prescribed by such rules.
- The division shall provide by rule for the periodic reporting to the employer or carrier of all earnings of any nature and social security income by the injured employee entitled to or claiming benefits for permanent total disability. The employer or carrier is not required to make any payment of benefits for permanent total disability for any period during which the employee willfully fails or refuses to 31 report upon request by the employer or carrier in the manner

prescribed by such rules or if any employee who is receiving permanent total disability benefits refuses to apply for or cooperate with the employer or carrier in applying for social security benefits.

3. When an injured employee receives a full or partial lump-sum advance of the employee's permanent total disability compensation benefits, the employee's benefits under this paragraph shall be computed on the employee's weekly compensation rate as reduced by the lump-sum advance.

(13) REPAYMENT.--

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- (a) If an employee has received a sum as an indemnity benefit under any classification or category of benefit under this chapter to which she or he is not entitled, the employee is liable to repay that sum to the employer or the carrier or to have that sum deducted from future benefits, regardless of the classification of benefits, payable to the employee under this chapter; however, a partial payment of the total repayment may not exceed 20 percent of the amount of the biweekly payment.
- (b)1. With respect to workers' compensation benefits payable before October 1, 1998, to the extent liability for repayment under this subsection is based on the combination of workers' compensation benefits and other benefits exceeding 100 percent of the employee's average weekly wage at the time of the injury, the employee is not required to repay the difference to the employer or carrier unless otherwise required by a contract that was in force at the time of the injury.
- 2. As used in this paragraph, "other benefits" means social security benefits under 42 U.S.C. s. 402 or s. 423 and employer-funded benefits, including, but not limited to,

nondisability retirement or pension benefits as described in 1 subsection (14). 2 3 Nothing in this paragraph limits the applicability 4 of subsection (10). 5 (14) COORDINATION OF BENEFITS. -- Unless otherwise specifically provided by contract, workers' compensation 6 7 benefits that are otherwise payable under this chapter must be 8 reduced to the extent the combination of workers' compensation 9 benefits and social security benefits under 42 U.S.C. s. 402 10 or s. 423, and employer-funded benefits other than 11 nondisability retirement or pension benefits, provided to the employee and his or her dependents exceeds 100 percent of the 12 13 employee's average weekly wage at the time of injury. A benefit shall be considered employer funded when the employer 14 has contributed more than 50 percent of the cost of the 15 16 benefit. "Workers' compensation benefits" excludes 17 supplemental payments for permanent total disability pursuant to paragraph (1)(f). 18 Section 2. This act shall take effect October 1 of the 19 year in which enacted. 20 21 22 23 HOUSE SUMMARY 24 With respect to workers' compensation benefits payable before October 1 1998, exempts an employee from being 25 required to repay to an employer or carrier the amount by which the total of any benefits exceeds 100 percent of the employee's average weekly wage when injured unless provided otherwise by contract. Provides for reducing the total amount of benefits receivable from workers' 26 27 compensation, social security, and employer-funded benefits to no more than 100 percent of an employee's average weekly wage when injured. See bill for details. 2.8 29 30

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