



**A newsletter for members of the Trusts
administered by the Florida League of Cities**

August 2018

How Injured Employees Are Paid Under Workers' Compensation

by **Matt Norris**

How does Florida's workers' compensation law, well, "work"?

After an occupational injury, the anxiety of "when will I receive a paycheck" is an added concern no one wants to experience. This concern is especially relevant when the paycheck is coming from a source other than your employer and is defined in a complex state law.

It is important to have a basic understanding of temporary indemnity benefits under the workers' compensation program. The purpose of temporary indemnity benefits is to cover the employee's lost wages from the employer while the employee is unable to work in his or her regular capacity.

Let's start with the premise that the employee has met the seven-day waiting period, which means that the employee has not worked in seven days due to the occupational injury, and temporary indemnity benefits are owed to the employee. The employee is then entitled to lost-time benefits (or lost wages) according to a formula determined by their average weekly wage (AWW) and compensation rate (CR). This calculation is based on the 13-week wage statement completed by the employer. The AWW is one-thirteenth of the total gross wages. The CR is 66 2/3 percent of the AWW.

Temporary total disability benefits are paid to an employee who is unable to work in any capacity as determined by his or her authorized treating physician. The initial benefit is due by the 14th day of disability. The calculation of the weekly compensation rate is 66 2/3 percent of the AWW. The benefits continue every 14 days until the employee can return to work or is placed at maximum medical improvement.

Temporary partial disability benefits are owed when an employee is given restrictions and not able to return to their pre-injury employment and they are earning less than 80 percent of their AWW. Temporary partial disability benefits are calculated based on the gross earnings received from the employer. The weekly rate is 80 percent of the difference between 80 percent of the employee's AWW and the salary received. In the industry, we call this the "80/80" formula. These benefits continue every 14 days until the employee receives his or her full earnings or is placed at maximum medical improvement.

It is important for the employer to keep the insurance carrier apprised of when the employee is out of work after an accident. Also of importance is providing the completed 13-week wage statement as soon as possible after the injury.

For each member of the FMIT family, the Florida League of Cities has dedicated lost-time and medical-only adjusters who can answer questions regarding benefits due to your injured employee. Return-to-

work programs, such as “light” or “modified” duty, not only can help injured workers continue to be productive, but they also can help reduce your premiums by lowering your experience modification factor calculated independently by the National Council on Compensation Insurance. The following *Business Insurance* article describes the benefits of return-to-work programs: [Return on investment helps justify return-to-work programs.](#)

Matt Norris is a workers’ compensation claims supervisor with the Florida League of Cities. Contact [Matt Norris](#) or any member of the workers’ compensation team for more information on workers’ compensation benefits or return-to-work programs.

To view the full edition of Trust Tips, visit insurance.flcities.com/education/trust-tips.