

5220.2540 PAYMENT OF TEMPORARY TOTAL, TEMPORARY PARTIAL, OR PERMANENT TOTAL COMPENSATION.

Subpart 1. **Time of payment.** Payment of compensation must be commenced within 14 days of:

A. notice to or knowledge by the employer of an injury compensable under the act;

B. notice to or knowledge by the employer of a new period of lost time due to a previous work-related injury unless an extension is requested under Minnesota Statutes, section 176.221, subdivision 1; or

C. an order by the division, compensation judge, or Workers' Compensation Court of Appeals requiring payment of benefits which is not appealed. A party's consideration of an appeal does not excuse payment beyond the 14-day time limit. When an appeal is not filed, payments made after the 14th day are subject to penalties and interest under parts 5220.2760 and 5220.2780.

Once temporary total or permanent total disability benefits have been commenced, they must continue to be paid on a regular basis at the intervals the employee would have received wages from the employer had the employee continued working. Less frequent payments may be arranged by written agreement of the parties. With the initial payment of temporary total or permanent total disability benefits, the insurer must notify the employee in writing of the day of the week that further payments will be made and the frequency with which payments will be made. If the initial payment is a first and final payment, then notification need not be sent.

The same time limits apply to payments of temporary partial disability benefits. If the current wage varies so that wage documentation for calculation of temporary partial disability benefits is necessary, payment is due ten days following the date the employee or employer sends wage verification to the insurer.

Subp. 2. **Place of payment.** With the exception of payments made subject to part 5220.2560 or other order of a compensation judge or the division, all payments of compensation must be made directly to the employee or dependent at the home address unless the employee or dependent, in writing, authorizes payment to be sent elsewhere. The employee or dependent may authorize payment to be sent to a bank, savings association, or other financial institution by providing the employer or insurer with a written request for redirection of payment, the name and address of the institution, and the account number to which the payments should be credited. The insurer must comply with the request without a specific order from the division. The insurer must file a copy of the request with the division.

Subp. 3. **Notice to division.** The insurer must keep the division advised of all payments of compensation and amounts withheld and amounts paid for attorney fees by the filing of interim status reports each year and upon specific request by the division.

The insurer must also file with the division proof of payment which must indicate the amount of compensation paid and the date when the first payment was made, at each of the following times:

- A. when the insurer makes the first payment to the employee following the injury;
- B. when payments are reinstated after they have been previously discontinued by a notice of intention to discontinue benefits or an order of the division under part 5220.2640, subpart 7;
- C. when monitoring period compensation is commenced under Minnesota Statutes, section 176.101, subdivision 3i; and
- D. when payments are commenced by order of the division, a compensation judge, the Workers' Compensation Court of Appeals, or the Minnesota Supreme Court.

Subp. 4. **Penalties.** If payment is not made within the time limits of subpart 1, and no denial of liability has been filed under part 5220.2570, subpart 1, or notice of appeal filed from an order of the division, compensation judge, Workers' Compensation Court of Appeals, or the Minnesota Supreme Court, the division may assess penalties under Minnesota Statutes, sections 176.221 and 176.225, and parts 5220.2770, 5220.2780, and 5220.2790. A penalty for failure to file a notice required under this part may be assessed under part 5220.2830.

Subp. 5. **Removal from the labor market.** An employee who voluntarily removes himself or herself from the labor market is no longer entitled to temporary total, temporary partial, or permanent total disability benefits. A removal from the labor market has occurred when the employee is released to return to work by a health care provider and the employee retires or the employee's opportunities for gainful employment or suitable employment are significantly diminished due to the employee's move to another labor market.

Subp. 6. **Apprentices, temporary partial disability benefits.** An apprentice, upon return to the same apprenticeship program in the same position or a similar position to that held on the date of injury, has not suffered a loss of earning capacity where the wage upon return to the apprenticeship program is the same or greater than the wage on the date of injury. Temporary partial disability benefits are not owing where there is no loss in earning capacity.

Statutory Authority: *MS s 175.17; 175.171; 176.83*

History: *11 SR 1530; 18 SR 2546; L 1995 c 202 art 1 s 25*

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