

HOUSE BILL No. 4999

June 28, 2001, Introduced by Reps. Basham, Bernero and Lemmons and referred to the Committee on Insurance and Financial Services.

A bill to amend 1969 PA 317, entitled
"Worker's disability compensation act of 1969,"
by amending section 801 (MCL 418.801), as amended by 1994 PA
271.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 Sec. 801. (1) Compensation shall be paid promptly and
2 directly to the person entitled ~~thereto~~ and shall become due
3 and payable on the fourteenth day after the employer has notice
4 or knowledge of the disability or death, on which date all com-
5 pensation then accrued shall be paid. Thereafter compensation
6 shall be paid in weekly installments. COMPENSATION OR A LUMP SUM
7 REQUIRED TO BE PAID UNDER A SETTLEMENT OR REDEMPTION AGREEMENT IS
8 DUE AND OWING ON THE DATE OF THE SETTLEMENT OR REDEMPTION
9 AGREEMENT, AND IS PAYABLE IN ACCORDANCE WITH THE TERMS OF THE

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1 SETTLEMENT OR REDEMPTION AGREEMENT. Every carrier shall keep a
2 record of all payments made under this act and of the time and
3 manner of making the payments and shall furnish reports, based
4 upon these records, to the bureau as the director may reasonably
5 require.

6 (2) If weekly compensation benefits, ~~or~~ accrued weekly
7 benefits, ~~are~~ BENEFITS UNDER A SETTLEMENT, OR A LUMP SUM UNDER
8 A REDEMPTION AGREEMENT IS not paid within 30 days after becoming
9 due and payable, in cases where there is not an ongoing dispute,
10 \$50.00 per day shall be added and paid to the worker for each day
11 over 30 days in which the benefits are not paid. ~~Not~~ HOWEVER,
12 FOR A DELAY IN PAYING WEEKLY COMPENSATION BENEFITS OR ACCRUED
13 WEEKLY BENEFITS, NOT more than \$1,500.00 in total may be added
14 ~~pursuant to~~ UNDER this subsection.

15 (3) If medical bills or travel allowance are not paid within
16 30 days after the carrier has received notice of nonpayment by
17 certified mail, in cases where there is no ongoing dispute,
18 \$50.00 or the amount of the bill due, whichever is less, shall be
19 added and paid to the worker for each day over 30 days in which
20 the medical bills or travel allowance are not paid. Not more
21 than \$1,500.00 in total may be added ~~pursuant to~~ UNDER this
22 subsection.

23 (4) For purposes of rate-making, daily charges paid under
24 subsection (2) ~~shall~~ DO not constitute elements of loss.

25 (5) An employer who has notice or knowledge of the disabil-
26 ity or death and fails to give notice to the carrier shall pay

1 the penalty provided ~~for in~~ UNDER subsection (2) for the period
2 during which the employer failed to notify the carrier.

3 (6) When weekly compensation is paid ~~pursuant to~~ UNDER an
4 award of a worker's compensation magistrate, an arbitrator, the
5 board, the appellate commission, or a court, interest on the com-
6 pensation shall be paid at the rate of 10% per annum from the
7 date each payment was due, until paid.