

HOUSE BILL No. 4656

April 21, 2005, Introduced by Reps. Hopgood, Lemmons, III, Plakas, Kathleen Law, Donigan, Bennett and Tobocman and referred to the Committee on Employment Relations, Training, and Safety.

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

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

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

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

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

24 (5) An employer who has notice or knowledge of the disability
25 or death and fails to give notice to the carrier shall pay the
26 penalty provided ~~for in~~ **UNDER** subsection (2) for the period
27 during which the employer failed to notify the carrier.

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