

**WORKER'S DISABILITY COMPENSATION ACT OF 1969 (EXCERPT)**  
**Act 317 of 1969**

**418.801 Payment of compensation; time; manner; record; reports; daily charges as elements of loss; failure to notify carrier of disability or death; interest; detection and prevention of fraud, waste, and abuse; recommendations.**

Sec. 801. (1) Compensation shall be paid promptly and directly to the person entitled thereto and shall become due and payable on the fourteenth day after the employer has notice or knowledge of the disability or death, on which date all compensation then accrued shall be paid. Thereafter compensation shall be paid in weekly installments. Every carrier shall keep a record of all payments made under this act and of the time and manner of making the payments and shall furnish reports, based upon these records, to the agency as the director may reasonably require.

(2) If weekly compensation benefits or accrued weekly benefits are not paid within 30 days after becoming due and payable and there is not an ongoing dispute, \$50.00 per day shall be added and paid to the worker for each day over 30 days in which the benefits are not paid. Not more than \$1,500.00 in total may be added pursuant to this subsection.

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

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

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

(6) When weekly compensation is paid pursuant to an award of a worker's compensation magistrate, an arbitrator, the board, the appellate commission, or a court, interest on the compensation shall be paid at a rate calculated in the same manner as interest on a money judgment in a civil action under section 6013(8) of the revised judicature act of 1961, 1961 PA 236, MCL 600.6013.

(7) By April 1, 2012, the director of the worker's compensation agency shall coordinate with the department of technology, management, and budget on the development of comprehensive data and shall file with the secretary of the senate and the clerk of the house of representatives a report making recommendations to the legislature on a system utilizing advanced analytics for the detection and prevention of fraud, waste, and abuse in the worker's compensation system. Additionally, the director shall include information on the number of cases filed, and the number of employees who had benefits reduced as a result of a determination of their wage earning capacity.

**History:** 1969, Act 317, Eff. Dec. 31, 1969;—Am. 1977, Act 302, Eff. Mar. 30, 1978;—Am. 1981, Act 194, Eff. Jan. 1, 1982;—Am. 1985, Act 103, Imd. Eff. July 30, 1985;—Am. 1994, Act 271, Imd. Eff. July 11, 1994;—Am. 2011, Act 266, Imd. Eff. Dec. 19, 2011.

**Compiler's note:** For legislative intent as to severability, see Compiler's note to MCL 418.213.

Enacting section 2 of Act 266 of 2011 provides:

"Enacting section 2. This amendatory act applies to injuries incurred on or after its effective date."

**Popular name:** Act 317