
To: Jim deSpelder, CRASIF Administrator
From: Chad Johnson, The ASU Group
Date: January 14, 2012
Re: Changes to Michigan's Workers' Disability Compensation Act
CC:

Jim:

Very recently, Michigan Governor Rick Snyder signed into law a bill to reform the Michigan Workers' Disability Compensation Act. The changes in the law apply only to claims arising from injuries incurred on or after December 19, 2011.

The amendments should have a favorable impact on workers' compensation costs, especially with regard to the following:

- If an employee is terminated from employment for cause while working under a favored work status, the employer may terminate workers' compensation benefits.
- Employees have an affirmative duty to seek reasonable employment or have their wage loss benefits reduced by wages that could have been earned in work available to them.

Other notable changes include:

- An employee's perception of actual events of employment is required to be grounded in reality for a mental disability to be compensable.
- Weekly benefits will now be reduced by pension or retirement payments that an employee is entitled to receive.
- Employer has the right to direct medical treatment to a physician of the employer's choosing for the first 28 days, as opposed to the previous rule of 10 days.
- Employees must show that their injuries are "medically distinguishable" from their pre-existing conditions to qualify for workers' compensation benefits.

Please feel free to contact me should you have any questions.

Thanks,
Chad