

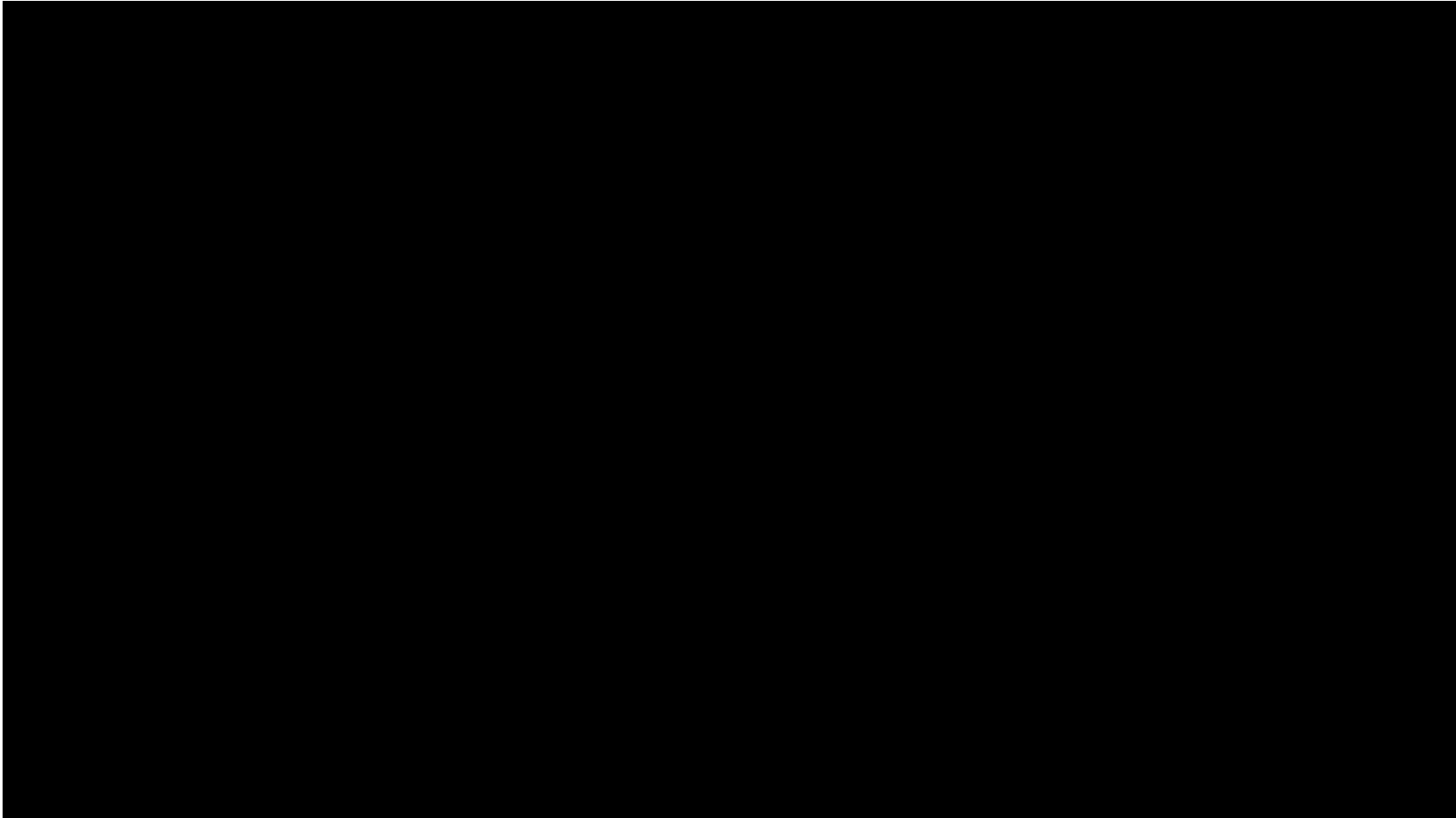


Washington State Department of
Labor & Industries

Self-Insurance presents:

Closures

Safety Tip



Resources

- [Claim Closures and PPD CAG](#)
- [PPD Award Schedules and Down Payments](#)
- [Claim Closure Order and Notice Forms](#)

Self-Insured Employers' Jurisdiction

SIEs have jurisdiction to close claims filed on or after 8/1/97 if:

- Worker returned to work for same employer at comparable wages and benefits.
- No department order has been issued to resolve a dispute.
- If an IME was obtained for closing medical, was it sent to the AP and 14 days allowed for response.

Requests for Department Closure

- SIE must send:
 - Complete and accurate Claim Closure Request (CCR) form.
 - Transaction record of all time-loss/LEP payments.
 - Copy of all claim records not previously sent.

Claim Closure Request Form

Closure Request and Compensation Paid			
Has compensation been paid on this claim? <input type="checkbox"/> Yes <input type="checkbox"/> No (Medical Only)		Are you reporting an employer closure (EC)? <input type="checkbox"/> Yes <input type="checkbox"/> No	
Is there PPD on the claim? <input type="checkbox"/> Yes <input type="checkbox"/> No			
Last Day Worked*	Returned to Work*	Released to Work*	Compensation Paid Through Date
Provide PPD description and any prior PPD paid.			
Total Time-Loss Amount Paid	Total Time-Loss Days Paid	Total LEP Amount Paid	Total LEP Day Paid
Claim closure remarks and description of supporting documentation for closure request. <i>(Please attach the supporting documentation directly behind this form. If compensation benefits were paid, ensure a copy of the SIF-5A and a payment ledger has been included with the complete copy of this claim file. *If multiple dates listed, please provide explanation.)</i>			

Department Action - Claim Closure Requests

- Closure is appropriate
- Not enough info
- Closure not appropriate

Medical Only SIE Closures

- SIEs must submit MO closures to department by the end of the month following closure. (WAC 296-15-450)
- Can be submitted electronically or by sending SIF-2 with closure date completed in the lower left corner.
 - Including a copy of the closing order is preferred

Questions to address

- Medical issues:
 - Were all contended medical conditions addressed?
 - Were all accepted conditions addressed in the closing medical exam?
 - Is there any permanent impairment related to this injury or occupational disease?
 - If an IME was obtained for closure, was the AP asked for concurrence?
 - Has PPD previously been paid, on this claim or another?

Time-Loss SIE Closures

- SIE must report at time of closure and submit the following to the department:
 - Copy of SIF-2 if not previously submitted.
 - Copy of closing order.
 - Complete and accurate Claim Closure Request form.

Questions to address

- Time-loss/loss of earning power compensation:
- Have all time-loss/LEP benefits been correctly computed and paid?
- Have the first three days after the injury been paid?
- Were health care benefits included or excluded based on the employer's contribution?
- Were all applicable July 1 cost of living adjustments paid?
- Have all LEP calculation worksheets been completed, if applicable?

Questions to address

- Vocational issues:
 - Is the worker working or able to work?
 - Have any disputes been resolved?

Vocational Options

- Ability to Work / Transferrable skills
- Completes Retraining Plan
- Option 2
- Suspension
- Unlikely to benefit from Retraining

Time-Loss Closures (EC)

This order constitutes notification that your claim is being closed with such medical benefits and temporary disability compensation as provided to date and with such award for permanent partial disability, if any, as set forth below, and with the condition that you have returned to work with the self-insured employer. If for any reason you disagree with the conditions or duration of your return to work or the medical benefits, temporary disability compensation provided, or permanent partial disability that has been awarded, you must protest in writing to the Department of Labor and Industries, Self-Insurance Section, PO Box 44892, Olympia WA 98504-4892 within sixty days of the date you receive this order. If you do not protest this order to the Department, this order will become final.

Time loss compensation in this claim is ended as paid to

This claim is closed effective _____ without further award for time loss or permanent partial disability.

(Name of Self-Insured Employer) is not required to pay for medical services or treatment rendered after the date of closure.

WAC 296-15-450

A self-insurer may close	If the	With time-loss?	Other requirements?	With PPD?
Medical only (MO) claims	Claim was filed on or after 07/01/90 and before 08/01/97	Without	None.	Without ¹
Time-loss (TL) claims	Claim was filed on or after 07/01/86 and before 08/01/97	With	1. Not if the department issued an order resolving a dispute; AND 2. Only if the worker returned to work with the employer of record at the same job or at a job with comparable wages and benefits. ²	Without ¹
All claims: Medical only (MO) claims Time-loss (TL) claims Permanent partial disability (PPD) claims	Claim was filed on or after 08/01/97	With or without	1. Not if the department issued an order resolving a dispute; AND 2. Only if the worker returned to work with the employer of record at the same job or at a job with comparable wages and benefits; ² AND 3. Only if the closing medical report was sent to the attending or treating doctor and 14 ³ days allowed for response.	With or without

¹ A self-insurer may not close a claim with PPD if the injury or illness occurred before 08/01/97.

² Comparable means the wages and benefits are at least ninety-five percent of the wages and benefits received by the worker at the time of injury.

³ When not specified, time is in calendar days.

PPD SIE Closures

SIE must report at time of closure and submit the following to the department:

- Copy of SIF-2 if not previously submitted.
- Copy of closing order.
- Complete and accurate Claim Closure Request form.
- Copy of Schedule of Future Payments, if applicable.

PPD Closures

- Closing orders with PPD must use the language as worded on the PPD award schedule or WAC and indicate side of body if applicable. Examples:
 - 2% impairment of the right leg at ankle (syeme)
 - 12% of the right ring finger at proximal interphalangeal joint
 - Category 2 (WAC 296-20-280) permanent dorso-lumbar and/or lumbosacral impairments
 - Category 3 (WAC 296-20-260) permanent dorsal area impairments

PPD Closure

This order constitutes notification that your claim is being closed with such medical benefits and temporary disability compensation as provided to date and with such award for permanent partial disability, if any, as set forth below, and with the condition that you have returned to work with the self-insured employer. If for any reason you disagree with the conditions or duration of your return to work or the medical benefits, temporary disability compensation provided, or permanent partial disability that has been awarded, you must protest in writing to the Department of Labor and Industries, Self-Insurance Section, PO Box 44892, Olympia WA 98504-4892 within sixty days of the date you receive this order. If you do not protest this order to the Department, this order will become final.

Time loss compensation and/or loss of earning power benefits in this claim are ended as paid through

This claim is closed effective _____ with award for permanent partial disability as follows:

(Name of Self-Insured Employer) is not required to pay for medical services or treatment rendered after the date of closure.

WAC 296-15-450

Within 14 days	And the doctor AGREES with	And the doctor DISAGREES with	Then the self-insurer	
Within	Fixed and stable and PPD rating		MAY	Close the claim.
Does not respond			MAY	Close the claim
Within or before the order is issued		Fixed and stable	MUST	1. Obtain a supplemental medical opinion from (an) examiner(s) listed on the department's approved examiner's list; OR 2. Forward the claim to department for closure. The department may require additional medical examinations.
Within or before the order is issued	Fixed and stable	PPD rating	MUST	1. Obtain a supplemental medical opinion from (an) examiner(s) listed on the department's approved examiner's list; OR 2. Forward the claim to department for closure. The department may require additional medical examinations.
Not within, after the order is issued, but before the order is final		Fixed and stable and/or PPD rating	MUST	Forward the claim including the doctor's response to the department as a protest within five working days of receipt.

PPD With Pre-existing Conditions

- Addressed differently depending on the situation:
 - Condition was asymptomatic.
 - Condition was symptomatic and disabling.
 - PPD was previously paid on the same claim.
 - PPD was previously paid under a different claim.

Down Payment

- If total PPD award is greater than 3x the monthly SAW on the DOI, award must be paid in monthly installments.
- Down payment is equal to 3x SAW on DOI.
- List of down payment amounts by DOI is available on Benefit Calculations web page.
- If award is less than 3x the SAW, full amount should be paid as a lump sum.

Balance of Award

- Balance after down payment is paid in monthly installments.
- Installment amount established by TL rate at time of closure.
- For DOI from July 1, 1982 to June 14, 2011, 8% annual interest paid on balance (0.67% per month).
- For DOI on or after June 15, 2011, no interest paid.

Timeliness of Payments

SIE must issue the down payment:

- Within 5 working days of SIE closure

OR

- “Without delay” if claim was closed by the department.

Communication

- Translated in preferred language
- Send copy to the Attending Provider
 - Does not become final and binding

Structured Settlements

- Allow parties to settle Accident Fund (TL/PPD) benefits under a claim.
- Claim closes; worker receives scheduled payments.
- Worker may be a good candidate if unable to work and not interested in retraining.
- Worker should contact SIE/TPA if interested.

Structured Settlements

To be eligible, the worker must:

- Be at least age 50.
- Have a claim that is over 180 days old.
- Have a final and binding allowance order on the claim.

Structured Settlements

- Only parties who must agree to settlement are the worker (or representative) and SIE/TPA.
- BIIA must approve all agreements.
 - After approval, there is a 30-day waiting period before the claim is considered closed.
- If settlement approved, Department's Structured Settlement Unit will issue closing order.

Stipulations

- Both parties must be represented
- Send to the department:
 - Signed document agreeing to conditions
 - Stipulation cover sheet
 - Supporting medical documentation or declaration

Knowledge Check



What WAC gives authority for a Self-Insured Employer to close their own claim?

WAC 296-15-450

A claim was accepted by the SIE. No time-loss was needed and the worker is at MMI.

Can the SIE close the claim?

Yes

Medical only claim closed by the SIE on 9/26/2023. By what date must it be reported to the department?

10/31/2023

The SIE submitted their Claim Allowance Request form on 4/1/22. The SIE closed this claim on 5/15/22 prior to Allowance Order being issued from the Department.

Was closure appropriate?

No

The department has issued Joey's allowance order and wage order resolving his dispute to pay correct time-loss.

Can the SIE close the claim?

No

Stacy returned to work after being fully released. The department has issued her allowance order. An IME was completed and the report was sent to the AP with concurrence received indicating she is at MMI.

Can the SIE close the claim?

Yes

How soon after a PPD closing order issued by the department does the initial payment need to be sent to the worker?

Without delay (14 days)

Lori

Lori injured her neck on 10/20/21. Her condition became stable and she was rated for permanent partial disability (PPD) on 9/15/23. The independent medical examination (IME) rated her disability at Category 3 cervical and cervicodorsal. The claim closed on 10/17/23. Her date of injury monthly time-loss rate was \$2,405.

- Monthly time-loss rate at claim closure: **\$2,453.34**
($\$2405 \times 1.02010 - 7/1/23 \text{ COLA}$)
- Amount of award: **\$43,363.02**
- Down payment: **\$19,185.24**
- Number of payments: **9 full and 1 partial**

Lori

Amount of award: **\$43,363.02**
Initial payment: **\$19,185.24**
Date Initial Payment Paid: **10/17/23**
Unpaid Balance: **\$24,177.78**

Date of Payment	Unpaid Balance	Interest*	Time-Loss Schedule	Amount of Payment
11/17/23	\$24,177.78	-	\$2,453.34	\$2,453.34
12/17/23	\$21,724.44	-	\$2,453.34	\$2,453.34
08/17/24	\$ 2,097.72	-	\$2,453.34	\$2,097.72

Cindy

Cindy injured her left knee on 3/3/19 . She was rated on 5/4/21 for her left knee permanent partial disability (PPD) with 12%. Her claim closed on 5/28/21. At the time of injury she was making \$35 per hour, 8 hours per day, 5 days per week. She was married with 0 dependents.

- Monthly time-loss rate at claim closure: **\$4,273.71**
(\$35 x 8 x 22 = \$6,160 x 65% = \$4,004 x 1.06736 - 7/1/20 COLA)
- Amount of award: **\$14,794.93** (\$123, 291.12 x 12%)
- Down payment: **\$15,471.75**
- Number of payments: **1 Lump Sum**

Resources

- [Claim Closures and PPD CAG](#)
- [PPD Award Schedules and Down Payments](#)
- [Claim Closure Order and Notice Forms](#)

Questions?

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