



Workers' Compensation eALERT

Current Law Developments and Legal Issues

That May Affect You Or Your Business

Lafayette Shreveport

August 12, 2008

WORKERS' COMPENSATION UPDATE

NEW MAXIMUM AND MINIMUM COMP RATES SET

The OWC has published the new maximum and minimum compensation rates that will be effective for accidents occurring between September 1, 2008 and August 31, 2009. The new maximum rate is now \$546.00 and the new minimum is now \$146.00.

As always these new rates only apply for accidents in the period between September 1, 2008 and August 31, 2009. The rates remain unchanged for accidents occurring on prior dates.

NEW MILEAGE RATE

The OWC has, as expected, increased the mileage reimbursement rate for travel. Effective July 1, 2008, the rate will now be \$0.52 per mile. As with the maximum and minimum rates this reimbursement rate applies only to travel on or after July 1, 2008. For travel before that date the old reimbursement rates apply.

FUNDING MSA's:

In an interesting decision the Fourth Circuit has addressed the issue of delaying funding the initial payment of an MSA until CMS has approved the settlement. In *MacFarlane v Schneider National Bulk Carriers*, 984 So2d 185, 2007-1386 (La. App. 4 Cir. 4/30/2008), the court held that the employer was liable to the employee for penalties and fees for its failure to fund the MSA within 30 days of the OWC's approval of the settlement. A delay due to waiting for CMS approval was specifically found not to be a defense to the nonpayment.

Apparently we must fund the MSA while approval is pending and then adjust the MSA (if necessary) after CMS approval.

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