

2024 Regular Session

HOUSE BILL NO. 556

BY REPRESENTATIVE GLORIOSO

WORKERS COMPENSATION: Provides relative to an injury producing the permanent total disability of an employee

1 AN ACT

2 To enact R.S. 23:1020.1(B)(4), 1021(14) and (15) and 1221(2)(f) through (i), relative to
3 workers' compensation; to provide for legislative intent; to provide definitions; to
4 provide for permanent total disability; to provide for the calculation and
5 determination of the average weekly wage; and to provide for related matters.

6 Be it enacted by the Legislature of Louisiana:

7 Section 1. R.S. 23:1020.1(B)(4), 1021(14) and (15) and 1221(2)(f) through (i) are
8 hereby enacted to read as follows:

9 §1020.1. Citation, purpose; legislative intent; construction

10 * * *

11 B. Purpose. The legislature declares that the purpose of this Chapter is all
12 of the following:

13 * * *

14 (4) To counteract inflation by providing a cost-of-living adjustment for
15 permanent total disability benefits to all injured workers who suffer an injury or
16 disease arising out of and in the course and scope of their employment as is provided
17 in this Chapter.

18 * * *

1 §1021. Terms defined

2 As used in this Chapter, unless the context clearly indicates otherwise, the
3 following terms shall be given the meaning ascribed to them in this Section:

4 * * *

5 (14) "Consumer price index "or "CPI" means a measure of the average
6 change over time in the prices paid by urban consumers for a market basket of
7 consumer goods and services.

8 (15) "Cost-of-living adjustment" or "COLA" means the adjustment made to
9 disability benefits to counteract the effects of inflation in the economy.

10 * * *

11 §1221. Temporary total disability; permanent total disability; adjusted total
12 disability benefits; supplemental earnings benefits; permanent partial
13 disability; schedule of payments

14 * * *

15 (2) Permanent total.

16 * * *

17 (f) For purposes of Subparagraph (a) of this Paragraph, any compensable
18 injury producing permanent total disability of an employee to engage in any self-
19 employment or occupation as that in which the employee was customarily engaged
20 when injured, and whether or not an occupation for which the employee at the time
21 of injury was particularly fitted by reason of education, training, or experience,
22 occurring on or after August 1, 2024, for which permanent total disability continues,
23 the injured employee shall be entitled to an adjustment in the weekly compensation
24 rate effective August 1, 2024, based upon the following formula:

25 (i) Determine the percentage of the injured employee's average weekly wage
26 at the time of the injury to the state's average weekly wage as established by the
27 office workers' compensation administration for the same corresponding year. This
28 amount shall be computed to the nearest multiple of one dollar. In no event shall the

1 percentage exceed sixty-six and two-thirds percent of the state's average weekly
2 wage.

3 (ii) Determine the adjusted average weekly wage of the injured employee by
4 applying the percentage determined in Item (i) of this Subparagraph against the
5 state's current average weekly wage which is established annually on August first of
6 each year as of the quarter ending on the immediately preceding March thirty-first
7 of each year for the previous calendar year.

8 (iii) Determine the revised weekly rate of compensation by applying the
9 adjusted average weekly wage to the current schedule of (iv).

10 (g) The injured employee shall be entitled to an adjustment in the weekly
11 compensation rate at one year intervals beginning on August first in each year with
12 the initial review occurring on or after the third anniversary of the injury.

13 (h) Every insurance carrier or self-insured employer shall be required to
14 report each compensable injury case to the secretary of the Louisiana Workforce
15 Commission if permanent total disability payments continue or are expected to
16 continue for six months from the date of injury.

17 (i) Adjustments in weekly benefit rates shall only apply to those injuries that
18 result in temporary total or permanent total disability for the injured employee and
19 shall not be retroactive from the anniversary date of such review, unless an employee
20 entitled to such adjustment did not receive the amount due because of a mistake,
21 misfortune, or lack of knowledge.

22 * * *

DIGEST

The digest printed below was prepared by House Legislative Services. It constitutes no part of the legislative instrument. The keyword, one-liner, abstract, and digest do not constitute part of the law or proof or indicia of legislative intent. [R.S. 1:13(B) and 24:177(E)]

HB 556 Original 2024 Regular Session Glorioso

Abstract: Provides relative to injuries producing the permanent total disability of an employee and provides for the determination and calculation of the average weekly wage owed to injured employees.

Present law provides that present law shall be cited as the "Louisiana Workers' Compensation Law" and provides the intent of the legislature. Proposed law retains present law.

Proposed law adds that it is the intent of the legislature to counteract inflation by providing a cost-of-living adjustment for permanent total disability benefits to all injured workers, who suffer an injury or disease arising out of and in the course and scope of their employment.

Present law defines accident, brother and sister, child or children, dependent, health care provider, independent contractor, injury and personal injuries, office, owner operation, part-time employee, payor, and wages.

Proposed law retains present law and adds definitions for Consumer Price Index (CPI) and cost-of-living adjustment (COLA).

Proposed law provides the formula for determining an injured worker's average weekly wage.

Proposed law provides that an injured worker shall be entitled to an adjustment in the weekly compensation rate at one-year intervals beginning Aug. 1st of each year with the initial review occurring on or after the third anniversary of the injury.

Proposed law requires every insurance carrier or self-insured employer to report each compensable injury case to the secretary of the La. Workforce Commission, if permanent total disability payments continue or are expected to continue for six months from the date of injury.

Proposed law provides that adjustments in weekly benefit rates shall only apply to those injuries that resulted in temporary total or permanent total disability for the injured employee. Proposed law further provides that the adjustments shall not be retroactive from the anniversary date, unless an employee entitled to the adjustment did not receive the amount due because of a mistake, misfortune, or lack of knowledge.

(Adds R.S. 23:1020.1(B)(4), 1021(14) and (15), and 1221(2)(f)-(i))