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*Serving
 California's
 Injured Workers
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Feb. 1, 2007

TO: MEMBERS OF THE LEGISLATURE

FROM: LINDA ATCHERLEY, President; DON GREEN, Legislative Advocate

RE: GOVERNOR'S WORKERS' COMP BENEFITS STUDY

The Division of Workers' Compensation released the first of two studies yesterday relating to permanent disability benefits. Numerous earlier studies all agree that benefits have been reduced by at least 50% across the board for permanently disabled workers. The DWC study focused on return to work (RTW) and found that the number of injured employees who had returned to work within one year of injury has increased by 5% after enactment of SB 899 in 2004. Here are the key points about the findings:

- RTW has nothing to do with whether benefits are adequate or equitable.
- A 5% increase in RTW in no way justifies benefit reductions of 50% or more.
- The study concedes that the current schedule for determining benefit amounts does not promote an equitable distribution of the benefits as mandated by the statute.
- The second study will continue to look at pre-SB 899 injuries only, and thus, like this first study, will not address whether benefits are adequate or equitable.

We agree with Senate Pro Tem Don Perata: "Everyone recognizes we already have enough data showing that permanently disabled workers are not getting their fair share of workers' compensation benefits. . . .it's time to quit studying this to death and act."

