

# HOUSE BILL No. 4209

February 9, 1999, Introduced by Reps. Basham, Prusi, Bogardus, DeHart and Schermesser and referred to the Committee on Employment Relations, Training and Safety.

A bill to amend 1969 PA 317, entitled  
"Worker's disability compensation act of 1969,"  
by amending section 801 (MCL 418.801), as amended by 1994 PA  
271.

## THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1       Sec. 801. (1) Compensation shall be paid promptly and  
2 directly to the person entitled ~~thereto~~ and shall become due  
3 and payable on the fourteenth day after the employer has notice  
4 or knowledge of the disability or death, on which date all com-  
5 pensation then accrued shall be paid. Thereafter compensation  
6 shall be paid in weekly installments. COMPENSATION OR A LUMP SUM  
7 REQUIRED TO BE PAID UNDER A SETTLEMENT OR REDEMPTION AGREEMENT IS  
8 DUE AND OWING ON THE DATE OF THE SETTLEMENT OR REDEMPTION  
9 AGREEMENT, AND IS PAYABLE IN ACCORDANCE WITH THE TERMS OF THE  
10 SETTLEMENT OR REDEMPTION AGREEMENT. Every carrier shall keep a

1 record of all payments made under this act and of the time and  
2 manner of making the payments and shall furnish reports, based  
3 upon these records, to the bureau as the director may reasonably  
4 require.

5 (2) If weekly compensation benefits, ~~or~~ accrued weekly  
6 benefits, ~~are~~ BENEFITS UNDER A SETTLEMENT, OR A LUMP SUM UNDER  
7 A REDEMPTION AGREEMENT IS not paid within 30 days after becoming  
8 due and payable, in cases where there is not an ongoing dispute,  
9 \$50.00 per day shall be added and paid to the worker for each day  
10 over 30 days in which the benefits are not paid. ~~Not~~ HOWEVER,  
11 FOR A DELAY IN PAYING WEEKLY COMPENSATION BENEFITS OR ACCRUED  
12 WEEKLY BENEFITS, NOT more than \$1,500.00 in total may be added  
13 ~~pursuant to~~ UNDER this subsection.

14 (3) If medical bills or travel allowance are not paid within  
15 30 days after the carrier has received notice of nonpayment by  
16 certified mail, in cases where there is no ongoing dispute,  
17 \$50.00 or the amount of the bill due, whichever is less, shall be  
18 added and paid to the worker for each day over 30 days in which  
19 the medical bills or travel allowance are not paid. Not more  
20 than \$1,500.00 in total may be added ~~pursuant to~~ UNDER this  
21 subsection.

22 (4) For purposes of rate-making, daily charges paid under  
23 subsection (2) shall not constitute elements of loss.

24 (5) An employer who has notice or knowledge of the disabil-  
25 ity or death and fails to give notice to the carrier shall pay  
26 the penalty provided ~~for in~~ UNDER subsection (2) for the period  
27 during which the employer failed to notify the carrier.

1       (6) When weekly compensation is paid ~~pursuant to~~ UNDER an  
2 award of a worker's compensation magistrate, an arbitrator, the  
3 board, the appellate commission, or a court, interest on the com-  
4 pensation shall be paid at the rate of 10% per annum from the  
5 date each payment was due, until paid.