Sixth Annual Nevada Workers’ Compensation Educational Conference

Calculation of Benefits

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Definition - NAC 616C.420

• Average Monthly Wage (NAC 616C.420)
  – Total gross value of all **money, goods and services** received by an injured worker to compensate him for his time or services.

• Deemed Wage (NAC 616C.429)
  – Wages which are deemed per NRS, Chapters 616A to 616D, for certain groups of employees, i.e., Volunteers, Real Estate Agents, School Trustees
Included Items - NAC 616C.423

- Wages (OT included)
- Incentive pay
- Bonuses (prorated)
- Tips
- Salary
- Vacation payment
- Travel pay-time spent
- Commissions
- Sick leave payment
- Termination pay
- Tool allowance
- Piecework
- Holiday payment
- Meals
- Reasonable market value for room/board
Excluded Items - NAC 616C.423

- Reimbursement for expenses
  - Per diem
  - Travel expenses

- Payment for employment which is not subject to coverage pursuant to NRS chapters 616A to 616D and 617

- Payment for employment which coverage is elective

- Allowances for laundry or uniforms
Period Used - NAC 616C.435

• Normal Situation
  – Twelve weeks (84 days)
    • If injured employee paid twice monthly, use 89-92 days
  – One year (if 84 days not representative)

• Payroll Unavailable for 84 day period
  – Average available information (> 4 wks)
  – Projected using rate on date of injury and projected work schedule (< 4 wks)

• Labor Union Member – 1 yr
  (regularly employed by referrals from office)
Period Used - NAC 616C.435

• Piecework (< 4 wks)
  – Average earnings of other employees doing same work

• Alternative Methods
  – Hourly rate on Date of Injury/disease calculated using projected work schedule
  – Sum which represents Average Monthly Wage per NAC 616C.420 to 616C.447
Form D-8

Employers Wage Verification Form

Employer must complete and file within 6 working days of receipt of C-4, or at request of insurer, if the medical provider states injured employee to be off work 5 days or more.
FORM D-5
Wage Calculation
Form for Claims
Agent’s Use
Explanation Of Wage Calculation

FORM D-7

Copy to be sent to the injured worker with the wage calculation letter.
Temporary Partial Disability Calculation Worksheet
(NAC 616C.598(7))

For Claims Agent’s Use

Injured Employee
Insurer
Third-Party Administrator
Employer
Claim Number
SSN

Paid: Weekly
Bi-Weekly
Semi-Monthly
Monthly

Pay Period (From) / /
Pay Period (To) / /

Gross Wage $ 
SSTax/FICA $ 
Medicare $ 
FIT/FWT $ 
Other (describe) $ 

Net Wage $ (after the usual deductions are made for social security, income taxes and other required state or federal deductions)

Pursuant to NAC 616C.598(2).

TTD $ (for the same period)
Net Wage $ 

TPD due $ (if the net pay is greater than the TTD rate, there is no entitlement to TPD) Pursuant to NAC 616C.598(1).

Prepared By
Date

D-46 (7/99)
PPD Calculation

- Permanent Partial Disability Award Calculation Work Sheet – under 30% (Form D-9a)

- Permanent Partial Disability Award Calculation Work Sheet – over 30% (Forms D-9a and D-9b)

- Minimum lump sum calculation
  - NRS 616C.495(6)
**Sample Award Calculation Worksheet D-9a Under 25% Disability**

**PERMANENT PARTIAL DISABILITY AWARD CALCULATION WORK SHEET**

<table>
<thead>
<tr>
<th>Injured Employee:</th>
<th>Rolle Neon-Kaiser</th>
<th>DOB: 21-May 1981</th>
<th>Sex:</th>
</tr>
</thead>
<tbody>
<tr>
<td>SS#:</td>
<td></td>
<td>D. O. L.: 3-Nov 2013</td>
<td>Claim #</td>
</tr>
</tbody>
</table>

*Average Monthly Wage: $5,290.70  
* State Average Wage:  
Date Award Offered:  
Date Evaluation Report Received:  

| Description: | 2.0 %  
|--------------|--------|

**Body Basis - verification**

| 2.0 % BB |

**Installment Calculation**

<table>
<thead>
<tr>
<th><strong>A.</strong></th>
<th><strong>$5,290.70</strong></th>
<th><strong>x</strong></th>
<th><strong>0.054</strong></th>
<th><strong>x</strong></th>
<th><strong>2.0</strong></th>
<th><strong>%BB</strong></th>
<th><strong>=</strong></th>
<th><strong>$63.49</strong></th>
<th><strong>Year of Birth</strong></th>
<th><strong>Last TTD,</strong></th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>B.</strong></td>
<td><strong>$63.49</strong></td>
<td><strong>x</strong></td>
<td><strong>12</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td><strong>$761.88</strong></td>
<td><strong>Annual Rate</strong></td>
<td><strong>1981</strong></td>
</tr>
<tr>
<td><strong>C.</strong></td>
<td><strong>$761.88</strong></td>
<td><strong>/</strong></td>
<td><strong>365.25</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td><strong>$2.09</strong></td>
<td><strong>Daily Rate</strong></td>
<td><strong>2051</strong></td>
</tr>
</tbody>
</table>

| Year(s) | First Payment Date: 09/01/14  
|---------|------------------------|
| (1)     | 07/22/14               | First Payment Date: 09/01/14  
| (2)     | 07/23/14               | through (b)**4** 08/31/14  
| (3)     | $18.81                 | $63.49               | $0.00  
| (4)     | 09/01/2014 through 08/31/50 | = $27,427.68  
| (5)     | 09/01/02050 through 05/20/51 | **** (36) Years  
| (6)     | $507.92               | $41.80               | = $549.72  

| 8 ) Month(s) | 20 ) Day(s)  

| Total of Installment Payments | $28,059.70  

**Remarks:**

- **DOI / date of claim reopening or day after last TTD/TPD**
- **Month(s) **
Sample Award Calculation Worksheet D-9a Under 25% Disability (Cont.)

<table>
<thead>
<tr>
<th>Description</th>
<th>Year</th>
<th>Month</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Effective Date of Award (year, month) Per NAC 616C.502</td>
<td>2014</td>
<td></td>
<td>9</td>
</tr>
<tr>
<td>Date of Birth (year, month)</td>
<td>1981</td>
<td></td>
<td>5</td>
</tr>
<tr>
<td>Injured Employee Age at Award Effective Date= (7) minus (8) (years, months)</td>
<td>33</td>
<td></td>
<td>4</td>
</tr>
<tr>
<td>Monthly Rate from (B)</td>
<td></td>
<td></td>
<td>$63.49</td>
</tr>
<tr>
<td>Factor from Table for Present Value</td>
<td></td>
<td></td>
<td>$174.11</td>
</tr>
<tr>
<td>Insert Sum of (3). Add to sum of (11) only.</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Subtotal of (11) plus (12):</td>
<td></td>
<td></td>
<td>$11,054.24</td>
</tr>
<tr>
<td>Greater of (13) Full Lump Sum or Minimum Lump Sum:</td>
<td></td>
<td></td>
<td>$11,136.54</td>
</tr>
<tr>
<td>Minus any applicable award payments previously paid:</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Net Amount Payable:</td>
<td></td>
<td></td>
<td>$11,136.54</td>
</tr>
</tbody>
</table>

- Use the Average Monthly Wage or the State Average Wage, whichever is lower. If the average monthly wage (AMW) for TTD on this claim is subject to the frozen 1993 rate, recalculate the AMW for PPD purpose.
- Use .005 for injuries sustained before 07/01/81. Use .006 for injuries sustained after 07/01/81, through 06/17/93. Use .0054 for injuries sustained on or after 06/18/93. Use .006 for injuries sustained on or after 1/1/00.
- Per NRS 616.490(7), age at which entitlement ceases.
- This must reflect the end of the month prior to election of the award. Recalculation may be required to bring the award to present day value. If (2)(b) is December date, use caution on line (4) to assure correct number of years. (If subtracting dates, add one year)
- Must pay monthly installments if monthly entitlement is $100 or more. May pay annual installment if monthly entitlement is less than $100.
- Use date of claim reopening if TTD/TPD benefits were not paid after the claim was reopened (2)(b).

Prepared By: ___________________________  Date: ____________

Checked By: ___________________________  Date: ____________
## Sample Award Calculation Worksheet D-9a
### Minimum Lump Sum

**PERMANENT PARTIAL DISABILITY AWARD CALCULATION WORK SHEET**

**Minimum Lump Sum**

<table>
<thead>
<tr>
<th>Injured Employee:</th>
<th>DOB: 06/10/1934</th>
</tr>
</thead>
<tbody>
<tr>
<td>SS #:</td>
<td>DOI: 11/03/07</td>
</tr>
<tr>
<td>Claim #:</td>
<td>Date of Rating:</td>
</tr>
<tr>
<td><em>Average Monthly Wage: $3470.56</em></td>
<td><em>State Average Wage:</em></td>
</tr>
<tr>
<td>Date Award Offered:</td>
<td>Date Evaluation Report Received:</td>
</tr>
</tbody>
</table>

### Body Basis - Verification

<table>
<thead>
<tr>
<th>Description:</th>
<th>% Total</th>
<th>% BB</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>1</td>
<td></td>
</tr>
</tbody>
</table>

### Installment Calculation

* **.005**
* **.006**

**A.** $3470.56 x **.0054 x 1** % BB = **$ 20.82**

- **Monthly Wage**: $3470.56
- **Monthly Rate**: 20.82
- **Annual Rate**: 249.84
- **Year of Birth**: 1934
- **Last TTD, TPD, or DOI**: 11/03/07
- **Year End Value**: 2004
- **Yr.**: 2012

**B.** 20.82 x 12 = **$ 249.84**

<table>
<thead>
<tr>
<th>B.</th>
<th>C.</th>
</tr>
</thead>
<tbody>
<tr>
<td>Monthly Rate</td>
<td>Annual Rate</td>
</tr>
<tr>
<td>249.84</td>
<td>0.68</td>
</tr>
</tbody>
</table>

### Installment Calculation

(1) Last Date TTD or TPD Paid: 11/03/07

- **First Payment Date**: 05/01/08

(2) Time Covered by First Payment: (a) 11/03/07 through (b) 4/30/2008

**DOJ date of claim reopening or day after last TTD/TPD

(3) First Payment: **$ 19.04** + **$ 104.10** + **$ 20.04** + **$ 126.96** = **$ 123.14**

(4) Time Covered by Annual Payments: **5/01/2008** through **4/30/2011**

**$ 749.52**

(5) Time Covered by Final Payment: **5/01/2011** through **11/03/2012**

(6) Final Payment: **$ 124.92** + **$ 2.04** = **$ 126.96**

**$ 999.62**

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**Monthly [ ] Annual [X]**

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Total of Installment Payments: **$ 999.62**
### Minimum Lump Sum Calculation

\[ 0.5\% \times 1 \% \times $3470.56 = \text{Monthly Wage from (A) above:} $1,735.28 \]

<table>
<thead>
<tr>
<th>Lump Sum Calculation of Disability Up To and Including 25%</th>
</tr>
</thead>
<tbody>
<tr>
<td>(Use form D-9b for disability greater than 25%)</td>
</tr>
<tr>
<td>(7) Effective Date of Award (year, month following 2 b) Per NAC 616C.502</td>
</tr>
<tr>
<td>(8) Date of Birth (year, month)</td>
</tr>
<tr>
<td>(9) Injured Employee Age at Award Effective Date = (7) minus (8) (years, months)</td>
</tr>
<tr>
<td>(10) Monthly Rate from (B)</td>
</tr>
<tr>
<td>(11) Factor from Table for Present Value X .96 = $19.99</td>
</tr>
<tr>
<td>(12) Insert sum of (9). Add to sum of (11) only. + $123.14</td>
</tr>
<tr>
<td>(13) Subtotal of (11) plus (12):</td>
</tr>
<tr>
<td>(14) Greater of (13) Full Lump Sum or Minimum Lump Sum:</td>
</tr>
<tr>
<td>(15) Minus any applicable award payments previously paid:</td>
</tr>
<tr>
<td>(16) Net Amount Payable:</td>
</tr>
</tbody>
</table>

**Minimum Lump Sum Amount**

**Amounts:**

- $20.82
- $19.99
- $123.14
- $143.13
- $1735.28

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* Use the Average Monthly Wage or the State Average Wage, whichever is lower. If the average monthly wage (AMW) for TTD on this claim is subject to the frozen 1993 rate, recalculate the AMW for PPD purposes.

** Use .005 for injuries sustained before 07/01/81. Use .006 for injuries sustained after 07/01/81, through 06/17/93. Use .0054 for injuries sustained on or after 06/18/93. Use .006 for injuries sustained on or after 1/1/00.

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PREPARED BY: ___________________________ DATE: ___________________________

CHECKED BY: ___________________________ DATE: ___________________________