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## WORKER'S COMPENSATION MEMORANDUM



Scope: All University Employees  
[Program Governed by North Carolina General Statutes Chapter 97]  
*Effective:* September 4, 1995  
*Revised:* December 1, 2001

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**TO:** All University Faculty and Staff

**FROM:** R. Alan Bridge, Associate Vice Chancellor for Human Resources

**SUBJECT:** Workers Compensation Program

This information relates to the Workers' Compensation Program administered by CorVel and the Department of Human Resources. The Program is governed by the Workers' Compensation Act (North Carolina General Statutes Chapter 97) and rules of the North Carolina Industrial Commission.

In addition, this contains information about benefits to which you are eligible under the Workers' Compensation Program. It would be useful should you become injured or sick with an occupational disease and, therefore, should be retained in your personal files. Note that to access these benefits, you have certain responsibilities to report an injury or illness within prescribe time periods.

Should you have any questions about any aspect of the Workers' Compensation Program, you may call the UNCG Benefits Office at extension 4-5009.

### COVERAGE

All University employees are covered under the North Carolina Workers' Compensation Act, including full-time faculty, staff ( EHRA and SHRA), senior administrative officers, part-time employees, temporary employees, and student employees. Any employee who suffers an accidental injury or contracts an occupational disease within the meaning of the Workers' Compensation Act is entitled to benefits provided by the Act.

### COMPENSABLE INJURY

All injury is compensable under Workers' Compensation if it meets the following criteria:

- The injury was caused by an accident. (In case of hernia or injury to the back, the injury is compensable only if it is the result of a specific traumatic incident of the work assigned.)
- The injury arose out of the employment.
- The injury was sustained in the course of employment.

### BENEFITS

#### *Medical*

The cost of all medical and surgical services necessary to effect a cure is covered (includes hospital charges, physician and nursing fees, sick travel, prescription drugs, and prescribed rehabilitation). Medical services are subject to the maximum fees set by the North Carolina Industrial Commission.

#### *Compensation for Missed Work Time*

During temporary total disability, the injured employees is entitled to receive two-thirds of the average weekly earnings at the time of the accident subject to minimum and maximum. The minimum and maximum amounts are set by the Industrial Commission at the beginning of the calendar year. The Department of Human Resources can provide the current maximum weekly benefit.

The maximum benefit can be supplemented by using earned sick leave and vacation leave up to a maximum number of hours set by the State Personnel Commission according the the employee's annual salary. (For the period beginning January 1, 2002, the maximum weekly benefit is \$654.00 and the maximum sick/vacation leave per week begins at 2 hours for salaries \$10,000 - \$48,999 going to a total of 23 hours for higher salaries.)

If, following a period of temporary total disability, an employee is released by the physician to return to light work, the employee is entitled to two-thirds of the difference between the average weekly wage on the date of injury and the wages of the employee is able to earn upon return to light work.

If the injury results in permanent total or partial loss of use of a part of the body, the employee is entitled to compensation in accord with the disability rating given by the treating physician and the payment schedule set forth in the Workers' Compensation Act. Employees are eligible to receive this compensation for permanent partial disability even though they have returned to work and are earning wages.

If the injury leaves serious facial or head disfigurement, or causes the loss of permanent injury to an important organ of the body, the Industrial Commission, within its discretion, may award additional compensation up to \$20,000. No compensation is allowed for scars where the employee is paid for loss or partial loss of use of the same member. The employee is also entitled to payment for the loss of permanent teeth.

### ***Death Benefits***

In the event of death resulting from an injury arising out of and in the course of employment, compensation is paid to the surviving spouse for 400 weeks at 66 2/3 percent of the deceased employee's average weekly wage at the time of the accident. If there is no surviving spouse, compensation payments due to a dependent child are paid for 400 weeks or until the child reaches the 18th birthday, whichever is later. There is a \$3,500 allowance for funeral expense.

### ***Average Weekly Wage***

Compensation is based on the average weekly wage earned by the employee. The average weekly wage is computed by adding all wages earned in the employment in which the employee was injured, including any special allowances during the 52-week period prior to the injury. This total is divided by 52 to arrive at the average weekly wage.

### ***Waiting Period***

There is a waiting period before an employee can begin to draw compensation for time lost from work due to the injury. An employee is entitled to no compensation for the first seven calendar days of disability unless the disability continues for more than 21 days. These 21 days do not have to be consecutive and any work day in which the injury employee does not earn full wages because of the injury is counted as a day of disability. After disability has continued more than 21 days, the employee is entitled to receive compensation for the first 7 days.

## **RESPONSIBILITY OF EMPLOYEE**

### ***Notice to Supervisor***

The employee must notify the supervisor immediately in writing using HRS Form 301 (Accident/Injury/Illness Investigation Report). His/her supervisor will then submit both Forms 19

(Employer's Report for Injury or Occupational Disease to the Industrial Commission) and HRS 301 to the Department of Human Resources and the Office of Safety within five days after the occurrence or knowledge of an injured employee (GS 97-92). The written notice may be handwritten or typed and should indicate the date of the accident (or approximate date when occupational illness was contracted), how the accident occurred (cause of illness), and the nature and extent of injury (illness). It should also note whether or not the employee had to miss work because of the accident and, if so, the expected or actual return-to-work date. Forms may be obtained by contacting the Office of Safety, the Department of Human Resources, or you may go to the Human Resources web site at [www.uncg.edu/hrs](http://www.uncg.edu/hrs) and select Workers' Compensation Program.

**The Workers' Compensation Act requires that an employee give written notice to the employer within 30 days of an accident or within 30 days of being diagnosed as having a disease associated with employment.** After 30 days no compensation is payable without a ruling by the Industrial Commission.

### ***Obtaining Medical Care***

An employee who is injured on the job or who contracts an occupational disease must go to the University's Student Health Center for medical care. If the Student Health Center is not operating at the time of the injury, the employee should go to Moses Cone Occupational Health located at 200 E. Northwood St. Employees with injuries which are deemed to be life threatening should be taken to Moses H. Cone Hospital's emergency room. An employee who must use medical services other than the Student Health Center or Moses Cone Occupational Health for treatment must secure approval from the University's Adjuster at CorVel before submitting the lengthy treatment and/or surgery unless the surgery is required under emergency conditions. Their address and telephone numbers is CorVel Corporation, P.O. Box 77880, Charlotte, NC 27281, 1-866-441-4153. **Employees may not choose their own doctor.** Please refer to the University's **Quick Reference Guide** for further clarification and step by step procedures.

The treating physician in the Student Health Center or Moses Cone Occupational Health may refer the employee to other medical providers. In this case the Student Health Center and Moses Cone Occupational Health will notify the University's Adjuster at CorVel that an outside referral has been made, and the employee may proceed to secure treatment from the referred source without further approval. However, anytime there is a change in the level of treatment planned, for example, from normal office visits to surgery, the employee must notify and seek approval from the University's Adjuster before proceeding.

The employee's responsibility includes accepting medical treatment provided by the Student Health Center, Moses Cone Occupational Health, or its referees. The employee must follow as directed all prescribed treatment, including any medical, hospital, surgical, and other treatment or rehabilitation procedure when ordered by the treating physician. Refusal to accept treatment may bar the employee from further compensation.

### ***Return to Work (Same Day)***

After treatment by a physician following a work-related accident, the employee is expected to return to work unless the treating physician indicates the employee must go home for the day. The employee is responsible for obtaining from the treating physician a written statement certifying the need to go home instead of returning to work.

### ***Return to Work (After Workers' Compensation Leave)***

An employee who has been released by the treating physician to return to work has the obligation to accept any suitable employment provided by the employer that is in keeping with the employee's capability. Refusal to accept suitable employment will result in termination of compensation and my result in dismissal. (A description of the process of re-assimilating the employee into the University is described in the section titled **Return to Work.**)

### ***Other Responsibilities of Employee***

An employee who must go on workers' compensation leave automatically continues enrollment in the state health insurance program without personal cost. However, if the employee carries coverage for dependents, he/she must contact the University's Payroll Office to arrange direct payment for the additional coverage.

### **ACCEPTANCE OR DENIAL OF CLAIM FOR WORKERS' COMPENSATION**

CorVel has responsibility for determining whether or not the University is liable for the claim for workers' compensation benefits. The decision is made on the basis of all the facts presented on the employee's notice and the discussions with the supervisor and the University Compliance and Safety Officers. **Payment of medical bills by the University is not an indication of the University's acceptance of liability for the claim.**

If the claim is denied, the employee will be notified as soon as possible, pending receipt of medical documentation if necessary. To petition further, the employee must file a written notice of claim by writing to the North Carolina Industrial Commission (4319 Mail Service Center, Raleigh, NC 27699-4319). The notice should include the employee's name, address, social security number, the employer's name, and the date and nature of the injury. The employee may provide all this information on a form (Form No. 18) provided by CorVel or the North Carolina Industrial Commission.

### **COORDINATION OF WORKERS' COMPENSATION DISABILITY WITH SICK AND VACATION LEAVE**

#### ***Day of Accident***

The employee is not charged leave for time lost from work on the day of the injury. In situations where the employee cannot return to work after treatment by a medical provider, the employee is paid full salary for normal working hours on the day of the injury.

#### ***Period of Disability***

If the injury results in additional time away from work, the employee must go on workers' compensation leave and receive the workers' compensation weekly benefit after the required waiting period. During the waiting period, the employee may elect to take sick or vacation leave or leave without pay. If the injury results in disability of more than 21 days, the workers' compensation weekly benefit begins and will cover, as well, the first 7 days of disability. However, if the employee has elected to use sick or vacation leave for the first 7 days, no adjustment will be made.

After the employee has gone on workers' compensation leave, the weekly benefit may be supplemented by the use of partial earned sick or vacation leave in accordance with a schedule set by the State Personnel Commission that relates to the employee's annual salary. Compensatory time may be substituted for sick or vacation leave within the time frames provided under federal and state law. Earned leave and compensatory time are paid on a temporary payroll at the employee's hourly rate of pay. It is subject to state and federal withholding taxes and social security, but it is not subject to retirement.

For more details on how these leave periods coordinate with workers' compensation benefits, the employee should consult the Compliance Officer in the Department of Human Resources.

#### ***After Return to Work***

An injured employee who has returned to work but continues to require medical or therapy visits to reach maximum medical improvement is not charged leave for reasonable time lost from work for required or therapy treatment.

## CONTINUATION OF OTHER EMPLOYMENT BENEFITS

While on workers' compensation leave, an employee is eligible for continuation of the following benefits:

*Hospitalization Insurance.* While on workers' compensation leave, an employee continues coverage under his/her state health insurance program. The employer's monthly contribution for the employee will continue to be paid by the University. It is the employee's responsibility to continue his/her monthly contribution as well as the premium for any dependent coverage must be paid directly by the employee.

*Retirement Service Credit.* While on workers' compensation leave, an employee does not receive retirement credit. An employee who is a member of the Retirement System may purchase credit for the period of time on an approved leave of absence.

*Vacation and Sick Leave.* While on workers' compensation leave, the employee continues to accumulate vacation and sick leave to be credited for use upon return to work. If the employee does not return, vacation and sick leave accumulated during the first 12 months of leave will be paid in a lump sum along with other unused vacation. Special provisions apply when the employee accrues more vacation time than can normally be carried forward.

*Legislative and Performance Increases.* For SHRA employees the salary will be computed based on the last salary plus any legislative increase to which the employee would have been entitled. Any performance increase which would have been given had the employee been at work may also be included in the reinstatement salary, or it may be given on any payment date following reinstatement.

*Longevity.* While on workers' compensation leave, an employee is in pay status and will continue to receive longevity credit. Employees who are eligible for longevity pay shall receive their annual payments.

## RETURN TO WORK

When an employee has been released to return to work by the treating physician, there are three possible return-to-work situations. The physician will be asked to make a determination as to the employee's "maximum medical improvement," a term which signifies the point at which no substantial further improvement is needed. The physician will also be asked to make an evaluation of the employee's suitability to return to work on the basis of the employee's current job description.

*Employee has reached maximum medical improvement and can return to same job:* The University will place the employee in the original position or one of like seniority, status, and pay held prior to workers' compensation leave.

*Employee has reached maximum medical improvement with a disability that prevents return to the former job:* The University will attempt to place the employee in another position suitable to the employee's capacity. This work placement may be a permanent assignment or either part-time or temporary assignment until a permanent assignment is found.

If a position is not available for work placement, the agency will appoint the employee to the first suitable vacancy which occurs. During the interim period a suitable vacancy is not available, the employee shall be referred to the Office of State Personnel for reemployment assistance and a possible return to work with another agency.

Work placement efforts will continue for a period not to exceed 12 months, except with the approval of the Associate Vice Chancellor for Human Resources.

*Employee has not reached maximum medical improvement and is ready to return to work duty with approval of the treating physician:* The University will provide work assignment suitable to the employee's capacity. This work assignment will be a temporary one normally not to exceed 90 days. The University's Return to Work Council may be consulted if the department cannot accommodate prescribed restrictions. When the employee reaches maximum medical improvement, the employee will then return to the original

position or one of like seniority, status, and pay held prior to workers' compensation leave or to another suitable position.

In making reassignment of an employee, the University may work with other state agencies, such as the Office of State Personnel and the North Carolina Division of Vocational Rehabilitation.