

New Rules Affecting Illinois Workers' Compensation Lawyers

Article by: Emily Gleason

What is your hand worth? According to the Illinois Workers' Compensation Commission, the maximum value of a hand lost at work (for a worker who makes the average Illinois annual salary of \$42,754.40) is \$168,551, whereas that same hand would be worth \$156,218 in Iowa and \$143,885 in Nebraska.

In Illinois workers' compensation law, the value of human body parts is determined by an actuarial analysis of probabilities and future values of injuries. The values are continually adjusted to keep up with inflation and changes in the economy. The Illinois Workers' Compensation Commission uses the fixed values of body parts in order to strike a fair balance between compensating workers without driving insurance companies into financial ruin.

Workers' Compensation Overview

Workers' compensation is one of the first examples of tort reform enacted in the United States. Before workers' compensation law, people hurt at work were faced with two unpleasant alternatives: (1) they could either file lawsuits against their employers or (2) they could suck it up and pay for their own injuries.

Now, employers in every state but Texas are required to hold workers' compensation insurance. When people are injured at work, it is almost as easy to file claims within their states' workers' compensation systems, as it is to file insurance claims after car accidents.

In order to ensure that injured workers, employers and insurance companies are all treated fairly, the Illinois Workers' Compensation Commission continually makes changes to the Illinois Workers' Compensation Act.

Below is an overview of the most recent set of changes to the Illinois Workers' Compensation Act, which took place in July of 2005.

Fraud Statute Established

Any party involved in committing fraud relating to a workers' compensation dispute is guilty of a Class 4 felony and must pay complete restitution in addition to a fine. In addition, those who knowingly receive benefits by making false workers' compensation claims can be liable for either three times the value of benefits wrongfully obtained or twice the value of coverage attempted, plus attorney fees required to bring the claim.

Penalties Increased for Uninsured Employers

Employers who fail to purchase workers' compensation insurance are guilty of creating an immediate and serious danger to public health. As a consequence, a work stop order can be imposed, requiring the cessation of all business operations until the employer obtains proof of workers' compensation insurance.

Furthermore, a knowing failure of an employer to provide workers' compensation insurance coverage is considered a Class 4 felony, and each day's violation constitutes a separate offense.

Medical Fee Schedule Established

The Commission has established a medical fee schedule, setting maximum medical fees that employers are liable for. The maximum fees are 90% of the 80th percentile of charges in a certain geographic area. If a worker's medical bills are less than what is established by the fee schedule, then the employee will receive full workers' compensation coverage for those bills.

Benefits Increased and Changed

The Illinois Workers' Compensation Commission sets maximum compensation for specific work injuries. As of February of 2006, the maximum compensation that a worker can receive as the result of a death injury is the greater of \$500,000 or 25 years worth of salary. This is higher than the previous maximum (the greater of \$250,000 or 20 years).

Expedited Hearings

When an injured worker is not receiving any compensation for an injury from his or her employer, that worker can request an expedited hearing. An employer can also request an expedited hearing if a worker continues receiving compensation until a judgment is rendered and the employee has been released back to work.

Utilization Review Established

If an employer has reason to believe that an injured workers' medical treatment was unnecessary or unreasonable, the employer can have the case evaluated at a utilization review. In order to qualify for a utilization review, employers must

register with the Department of Financial and Professional Regulation once every two years.

Happy Employees, Employers and Insurance Companies

The Illinois Workers' Compensation Commission strives to reach fair results for all parties involved in work injuries. Illinois workers compensation laws benefit employees by providing fast compensation for injuries without the stress of filing lawsuits. Employers benefit from workers' compensation insurance coverage, because it eliminates the risk of lawsuits brought by injured employees. Even insurance companies benefit from workers' compensation law, because it sets maximum rates, which reduces the chances of unreasonable payouts. Furthermore, when insurance premiums paid by employers are invested at favorable rates, insurance companies can actually stand to gain the most from the Illinois Workers' Compensation system.

By continually adjusting the Illinois Workers' Compensation Act, the Illinois Workers' Compensation Commission is reaching fair results for all those involved in work injuries.

Fixed maximum benefits for specific injuries can be found at:
<http://findgreatlawyers.com/HotTopics/WorkersComp/15ChangestoAct.htm>. About the Author

Emily Gleason is a law student at the John Marshall Law School in Chicago. For more information regarding changes to the Illinois Workers' Compensation Act, she recommends that you visit:
<http://www.findgreatlawyers.com/HotTopics/WorkersComp/ClaimsTowns/ChicagoClaims.htm>.