

Workers' compensation penalties assessed by Compliance, Records and Training

| Violations | Formula and penalty amount |
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| <p>Late First Report of Injury form Paid to: Assigned Risk Safety Account Statute violated: 176.231, subdivisions 1 and 2 Applicable rule: 5220.2820 Assessment statute: 176.231, subd. 10 Assessed against: Insurer or self-insured employer</p> | <p>Based upon the number of violations in the 12 months prior to assessment</p> <ul style="list-style-type: none"> • One violation = warning • Two violations = \$125 • Three violations = \$250 • Four violations = \$375 • Five or more violations = \$500 |
| <p>Failure to report fatality or serious injury within 48 hours Paid to: Assigned Risk Safety Account Statute violated: 176.231, subds. 1 and 2 Applicable rule: 5220.2820 Assessment statute: 176.231, subd. 10 Assessed against: Insurer or self-insured employer</p> | <p>Based upon the number of violations in the 12 months prior to assessment</p> <ul style="list-style-type: none"> • One violation = warning • Two violations = \$125 • Three violations = \$250 • Four violations = \$375 • Five or more violations = \$500 |
| <p>A. Late first payment of benefits Paid to: Assigned Risk Safety Account Statute violated: 176.221, subd. 1 Applicable rule: 5220.2770 Assessment statute: 176.221, subd. 3 Assessed against: Insurer or self-insured employer</p> <p>B. Late first payment of benefits Paid to: Employee Statute violated: 176.221, subd. 1 Applicable rule: 5220.2790 Assessment statute: 176.225, subd. 5 Assessed against: Insurer or self-insured employer</p> | <p>A. Based upon the number of days late and percentage due, subject to maximums</p> <ul style="list-style-type: none"> • One to 15 days late: 30% of amount due; maximum is \$500 • Sixteen to 30 days late: 55% of amount due; maximum is \$1,500 • Thirty-one to 60 days late: 80% of amount due; maximum is \$3,500 • Sixty-one or more days late: 105% of amount due; maximum is \$5,000 <p>B. Twenty-five percent of the amount delayed is paid to the employee</p> |

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| <p>Late denial of liability Paid to: Assigned Risk Safety Account Statute violated: 176.221, subd. 1 Applicable rule: 5220.2770 Assessment statute: 176.221, subd. 3a Assessed against: Insurer or self-insured employer</p> | <p>Based upon the number of days late</p> <ul style="list-style-type: none"> • One to 15 days late = \$250 • Sixteen to 30 days late = \$500 • Thirty-one to 60 days late = \$1,000 • Sixty-one or more days late = \$2,000 |
| <p>A. Frivolous denial of liability Paid to: Assigned Risk Safety Account Statute violated: 176.221, subd. 1 Applicable rules: 5220.2570, 5220.2770, 5220.2540 Assessment statute: 176.221, subd. 3a Assessed against: Insurer or self-insured employer</p> <p>B. Frivolous denial of liability Paid to: Employee Statute violated: 176.221, subd. 1 Applicable rule: 5220.2760 Assessment statute: 176.225, subd. 1 Assessed against: Insurer or self-insured employer</p> | <p>A. Based upon the number of violations in the two-year period prior to assessment</p> <ul style="list-style-type: none"> • One to five violations = \$1,000 • Six or more violations = \$2,000 <p>This penalty may be assessed in addition to penalties for late or nonspecific denial.</p> <p>B. Up to 30% of the amount delayed</p> <p>This penalty may be assessed in addition to penalties for late or nonspecific denial.</p> |
| <p>Nonspecific Notice of Intention to Discontinue or denial of liability Paid to: Assigned Risk Safety Account Statute violated: 176.84, subd. 1 Applicable rule: 5220.2570 Assessment statute: 176.84, subd. 2 Assessed against: Insurer or self-insured employer</p> | <ul style="list-style-type: none"> • Five hundred dollars set amount for each violation <p>This penalty may be issued in addition to penalties for late or frivolous denial.</p> |

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| <p>Prohibited practices</p> <p>Paid to: Assigned Risk Safety Account Statute violated: 176.194, subd. 3 Applicable rule: N/A Assessment statute: 176.194, subd. 4 Assessed against: Insurer, self-insured, employer, third-party administrator or adjuster</p> | <p>Based upon the number of violations in the past 12 months</p> <ul style="list-style-type: none"> • One to five violations: Subdivision 3 (1-6), warning; subd. 3 (7-11), \$3,000 • Six to 10 violations: Subdivision 3 (1-6), \$3,000; subd. 3 (7-11), \$6,000 • Eleven or more violations: Subdivision 3 (1-11), \$6,000 • Thirty-one or more violations: Matter may be referred to the Department of Commerce for license review |
| <p>A. Late or improper payment of permanent partial disability</p> <p>Paid to: Assigned Risk Safety Account Statute violated: 176.021, subd. 3 and subd. 3a Applicable rules: 5220.2750, 5220.2550 Assessment statute: 176.221, subd. 3 Assessed against: Insurer or self-insured employer</p> <p>B. Late or improper payment of permanent partial disability</p> <p>Paid to: Employee Statutes violated: 176.221, subd. 6a and/or subd. 7 Applicable rules: 5220.2790 or 5220.2760, 5220.2550 Assessment statutes: 176.225, subd. 5, or 176. 221, subd. 1 Assessed against: Insurer or self-insured employer</p> | <p>A. Based upon the number of days late and percent of amount due, subject to maximums</p> <ul style="list-style-type: none"> • One to 15 days late: 30% of amount due; maximum is \$500 • Sixteen to 30 days late: 55% of amount due; maximum is \$1,500 • Thirty-one to 60 days late: 80% of amount due; maximum is \$3,500 • Sixty-one or more days late: 105% of amount due; maximum is \$5,000 <p>B. Twenty-five percent of amount found to be delayed or</p> <ul style="list-style-type: none"> • One to five days late = 6% of amount due • Six to 15 days late = 12% of amount due • Sixteen to 30 days late = 18% of amount due • Thirty-one to 60 days late = 24% of amount due • Sixty-one or more days late = 30% of amount due |

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| <p>A. Late payment of ongoing benefits Paid to: Assigned Risk Safety Account Statute violated: 176.221, subd. 1 Applicable rule: N/A Assessment statute: 176.221, subd. 3a Assessed against: Insurer or self-insured employer</p> <p>B. Late payment of ongoing benefits Paid to: Employee Statute violated: 176.221, subd. 1 Applicable rules: 5220.2760 or 5220.2790 Assessment statutes: 176.225, subd. 1 (length of delay) or 176.225, subd. 5 Assessed against: Insurer or self-insured employer</p> | <p>A. Based upon the number of days late and percent of amount due, subject to maximum</p> <ul style="list-style-type: none"> • Up to \$2,000 • One to five days late = 6% of amount due • Six to 15 days late = 12% of amount due • Sixteen to 30 days late = 18% of amount due • Thirty-one to 60 days late = 24% of amount due • Sixty-one or more days late = 30% of amount due <p>B. Twenty-five percent of amount found to be delayed</p> |
| <p>A. Late reinstatement of indemnity benefits Paid to: Assigned Risk Safety Account Statute violated: 176.221, subd. 1 Applicable rule: 5220.2770 Assessment statute: 176.221, subd. 3 Assessed against: Insurer or self-insured employer</p> <p>B. Late reinstatement of indemnity benefits Paid to: Employee Statute violated: 176.221, subd. 1 Applicable rule: 5220.2790 Assessment statute: 176.225, subd. 5 Assessed against: Insurer or self-insured employer</p> | <p>A. Based upon the number of days late and percentage due, subject to maximums</p> <ul style="list-style-type: none"> • One to 15 days late: 30% of amount due; maximum is \$500 • Sixteen to 30 days late: 55% of amount due; maximum is \$1,500 • Thirty-one to 60 days late: 80% of amount due; maximum is \$3,500 • Sixty-one or more days late: 105% of amount due; maximum is \$5,000 <p>B. Twenty-five percent of the amount delayed is paid to the employee</p> <p>If an extension was filed: Payment is due no later than 30 days from the date of the notice to or knowledge by the employer of the new period of disability.</p> |

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| <p>A. Late payment of order or award Paid to: Assigned Risk Safety Account Statute violated: 176.221, subd. 8 Applicable rule: 5220.2780 Assessment statute: 176.221, subd. 3, or 176.221, subd. 3a (used when amount owed is unclear) Assessed against: Insurer or self-insured employer</p> <p>B. Late payment of order or award Paid to: Employee Statute violated: 176.221, subd. 8 Applicable rule: 5220.2760 Assessment statute: 176.225, subd. 1 Assessed against: Insurer or self-insured employer</p> | <p>A. Based upon the number of days late and percent of amount due, subject to maximum or based on set amount</p> <ul style="list-style-type: none"> • One to 15 days late: 30% of amount due; maximum is \$500 • Sixteen to 30 days late: 55% of amount due; maximum is \$1,500 • Thirty-one to 60 days late: 80% of amount due; maximum is \$3,500 • Sixty-one or more days late: 105% of amount due; maximum is \$5,000 <p>B.</p> <ul style="list-style-type: none"> • One to 15 days late = \$500 • Sixteen to 30 days late = \$1,000 • Thirty-one to 60 days late = \$1,500 • Sixty-one or more days late = \$2,000 • One to five days late = 6% of amount due • Six to 15 days late = 12% of amount due • Sixteen to 30 days late = 18% of amount due • Thirty-one to 60 days late = 24% of amount due • Sixty-one or more days late = 30% of amount due |
| <p>Failure to file report in manner or within time limit Paid to: Assigned Risk Safety Account Statute violated: 176.231, subd. 3, 4, 5, 6, 7 and 10 Applicable rules: 5220.2830, 5220.2540 Assessment statute: 176.231, subd. 10 Assessed against: Insurer, self-insured, employer, third-party administrator or health care provider</p> | <p>Based upon the number of days filing is late</p> <ul style="list-style-type: none"> • Not filed within 21 days of written request = \$125 • Failure to respond after second request = \$375 • Subsequent failure to file = \$500 <p>or</p> <ul style="list-style-type: none"> • Not filed within 30 days of due date = \$125 • Not filed within 90 days of due date = \$375 • Not filed within 180 days of due date = \$500 |

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| <p>A. Improper discontinuance of benefits Paid to: Assigned Risk Safety Account Statute violated: 176.239 Applicable rule: 5220.2720 Assessment statutes: 176.221, subd. 3, and 176.238 subd. 10 Assessed against: Insurer or self-insured employer Assessed when: Delay follows .239 conference</p> <p>B. Improper discontinuance of benefits Paid to: Assigned Risk Safety Account Statutes violated: 176.238 Applicable rule: 5220.2720 Assessment statutes: 176.221, subd. 3, and 176.238, subd. 10 Assessed against: Insurer or self-insured employer Assessed when: Discontinuing prior to date of Notice of Intention to Discontinue</p> <p>C. Improper discontinuance of benefits Paid to: Employee Statutes violated: 176.238 or 176.239 Applicable rule: 5220.2760, subp. 2 Assessment statute: 176.225, subd. 1 (6) Assessed against: Insurer or self-insured employer</p> | <p>A. Based upon the number of violations in the past year and days late; prior to Aug. 1, 2024, the maximum amount is \$1,000</p> <ul style="list-style-type: none"> • First violation in one year is a warning <p>If not corrected within 10 days from a warning:</p> <ul style="list-style-type: none"> • 11 to 20 days late = \$200 • 21 to 30 days late = \$600 • 31 to 60 days late = \$800 • 61 or more days late = \$2,500 <ul style="list-style-type: none"> • Second violation within the one-year period of the first violation: <ul style="list-style-type: none"> • one to 10 days late = \$400 • 11 to 20 days late = \$600 • 21 to 30 days late = \$800 • 31 or more days late = \$2,500 <p>B.</p> <ul style="list-style-type: none"> • one to 15 days late: 30% of amount due; maximum is \$500 • 16 to 30 days late: 55% of amount due; maximum is \$2,500 • 31 to 60 days late: 80% of amount due; maximum is \$2,500 • 61 or more days late: 105% of amount due; maximum is \$2,500 <p>C.</p> <ul style="list-style-type: none"> • One to five days late = 6% of amount due • Six to 15 days late = 12% of amount due • Sixteen to 30 days late = 18% of amount due • Thirty-one to 60 days late = 24% of amount due • Sixty-one or more days late = 30% of amount due |

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| <p>Failure to pay via electronic funds transfer Paid to: Assigned Risk Safety Account Statute violated: 176.221, subd. 8(b), (d) Applicable rules: N/A Assessment statutes: 176.221, subd. 8(f) Assessed against: Insurer or self-insured employer</p> | <p>If violation is not corrected within 30 days of written notice</p> <ul style="list-style-type: none"> • Five hundred dollars for each violation |
| <p>A. Late release of withheld attorney fees Paid to: Assigned Risk Safety Account Statute violated: 176.221, subd. 8 Applicable rule: 5220.2780 Assessment statutes: 176.221, subd. 3, or 176.221, subd. 3a Assessed against: Insurer or self-insured employer</p> <p>B. Late release of withheld attorney fees Paid to: Employee Statute violated: 176.221, subd. 8 Applicable rules: 5220.2760 Assessment statute: 176.225, subd. 1 Assessed against: Insurer or self-insured employer</p> | <p>A. Based upon number of days late and percent of amount due, subject to maximum</p> <ul style="list-style-type: none"> • One to 15 days late: 30% of amount due; maximum is \$500 • Sixteen to 30 days late: 55% of amount due; maximum is \$1,500 • Thirty-one to 60 days late: 80% of amount due; maximum is \$3,500 • Sixty-one or more days late: 105% of amount due; maximum is \$5,000 <p>or</p> <ul style="list-style-type: none"> • One to 15 days late = \$500 • Sixteen to 30 days late = \$1,000 • Thirty-one to 60 days late = \$1,500 • Sixty-one or more days late = \$2,000 <p>B.</p> <ul style="list-style-type: none"> • One to five days late = 6% of amount due • Six to 15 days late = 12% of amount due • Sixteen to 30 days late = 18% of amount due • Thirty-one to 60 days late = 24% of amount due • Sixty-one or more days late = 30% of amount due |
| <p>Failure to notify employee of time limit to request retraining Paid to: Assigned Risk Safety Account Statute violated: 176.102, subd. 11 Applicable rule: N/A Assessment statute: 176.102, subd. 11 Assessed against: Insurer or self-insured employer</p> | <p>Based upon the number of days late, set amount</p> <ul style="list-style-type: none"> • Twenty-five dollars a day; up to \$2,000 maximum <p>Applies to date of injuries Oct. 1, 1995, or later</p> |

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| <p>Late payment of rehabilitation Paid to: Assigned Risk Safety Account Statutes violated: 176.102, subds. 9, 11; 176.221, subd. 6a Applicable rule: 5220.1900, subp. 1g Assessment statute: 176.221, subd. 3 Assessed against: Insurer or self-insured employer</p> | <p>Based upon the number of days payment is late and percent of amount due, subject to maximums</p> <ul style="list-style-type: none"> • One to 15 days late: 30% of amount due; maximum is \$500 • Sixteen to 30 days late: 55% of amount due; maximum is \$1,500 • Thirty-one to 60 days late: 80% of amount due; maximum is \$3,500 • Sixty-one or more days late: 105% of amount due; maximum is \$5,000 |
| <p>Late payment or denial of medical bills Paid to: Assigned Risk Safety Account Statutes violated: 176.135, subd. 6, and 176.221, subd. 6a Applicable rule: 5220.2740 Assessment statute: 176.221, subd. 3a Assessed against: Insurer or self-insured employer</p> | <p>Set amount based on the number of days late</p> <ul style="list-style-type: none"> • One to 15 days late = \$500 • Sixteen to 30 days late = \$1,000 • Thirty-one to 60 days late = \$1,500 • Sixty-one or more days late = \$2,000 |
| <p>Failure to release existing medical data Paid to: Assigned Risk Safety Account Statute violated: 176.138 (a) Applicable rule: 5220.2810 Assessment statute: 176.138 (c) Assessed against: Any party to a claim holding existing medical data related to the claim</p> | <p>Based up on the number of days late; warning letter must be sent prior to assessing penalty unless request is from division; verification must be filed with division</p> <ul style="list-style-type: none"> • No response within seven working days = \$300 • No response within 30 working days = \$450 • No response within 60 working days = \$600 |
| <p>Excessive billing for medical records by health care provider Paid to: Assigned Risk Safety Account Statute violated: 176.135, subd. 7 Applicable rule: N/A Assessment statute: 176.135, subd. 7a (f) Assessed against: Health care provider</p> | <p>Effective Aug. 1, 2024 If violation is not corrected within 30 days of written notice</p> <ul style="list-style-type: none"> • Five hundred dollars for each violation; maximum is \$25,000 for identical violations during a calendar year |

| Violations | Formula and penalty amount |
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| <p>A. Improper collection or attempt to collect payment by health care provider Paid to: Assigned Risk Safety Account Statute violated: 176.135, subd. 7 Applicable rule: N/A Assessment statute: 176.136, subd. 2a Assessed against: Health care provider</p> <p>B. Improper collection or attempt to collect payment by health care provider Paid to: Employee Statute violated: 176.135, subd.7 Applicable rule: N/A Assessment statute: 176.136, subd. 2a Assessed against: Health care provider</p> | <p>A.</p> <ul style="list-style-type: none"> • One thousand dollars for each violation of attempting to collect • Two thousand dollars for each violation if the employee paid or for violations described in paragraph (a), clause (2), items (ii) to (v) <p>B.</p> <ul style="list-style-type: none"> • Reimburse employee all amounts paid to health care provider with interest as result of violation • Five hundred dollars for violations described in paragraph (a), clause (2), items (ii) to (v), in addition to cost or expenses documented by the employee |