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Sandy Stoddard hired as Compliance, Records and Training director

Sandy Stoddard has been hired as the director of the Department of Labor and Industry's (DLI's) Compliance, Records and Training (CRT) unit. The primary goal of CRT is to ensure injured workers receive the benefits they are entitled to under Minnesota law. This is achieved through: auditing of workers' compensation files; imposing penalties for noncompliance; providing training; oversight of qualified rehabilitation consultants and firms; and investigating health care provider complaints. Additionally, CRT offers professional and administrative support to workers' compensation advisory groups, such as the Medical Services Review Board, the Rehabilitation Review Panel and the Workers' Compensation Insurers' Task Force.

With more than 25 years in Minnesota workers' compensation, Stoddard has had various roles, including nearly 20 years with a national insurance carrier as a claim resolution case manager and risk control consultant. She later joined the Union Construction Workers' Compensation Program as the member services director and, subsequently, served as the dispute resolution facilitator and program director. Stoddard earned an undergraduate degree in occupational science and is currently pursuing a graduate degree in organizational leadership from St. Catherine University in St. Paul, Minnesota.



Sandy Stoddard

Correction: Annual average wage for 2025

The average annual wage in effect for 2025 is \$71,300. This revises the value published in the September/October 2024 edition of COMPACT. The annual average wage is based on 2023 payroll and employment figures supplied by the Department of Employment and Economic Development.

The annual wage is used to determine if a farm operation must provide workers' compensation insurance coverage for its employees. See Minnesota Statutes § 176.011, subdivision 11a (a)(2), for the family farm coverage details.

The current and historical values for the average annual wage, the statewide average weekly wage and other values affecting workers' compensation benefits and payments are available in the [Common Minnesota workers' compensation benefit adjustments chart](#) on the DLI website.

Request for comments: Possible amendment to rules governing workers' compensation treatment parameters

The Minnesota Department of Labor and Industry (DLI) [published a request for comments](#) on Feb. 24, 2025, about a possible amendment to the rules governing workers' compensation treatment parameters. DLI is considering rule amendments for medical imaging and injections in Minnesota Rules, parts 5221.6100, 5221.6200 to 5221.6305, and 5221.6600. DLI may also consider other updates and technical corrections to existing treatment parameter rules in chapter 5221, excluding treatment parameter rules for long-term treatment with opioid analgesic medication and post-traumatic stress disorder in Minn. R., parts 5221.6110 and 5221.6700.

DLI has not yet drafted the possible rule amendments, but when a draft becomes available, it will be posted on the [DLI Workers' compensation rulemaking webpage](#). More information about the rules, including how to submit a comment, is available on the request for comments and on the rulemaking docket webpage.

Mileage rate increases for 2025



The standard IRS mileage rate for the business use of an employee's personal vehicle for 2025 increased Jan. 1:

- from 67 cent a mile,
- to 70 cents a mile.

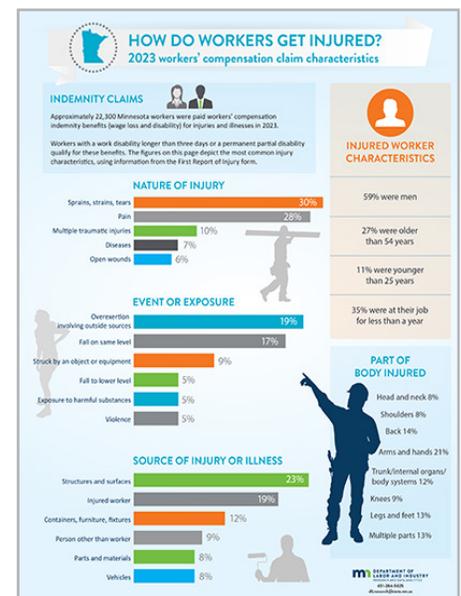
How do workers get injured?

Claim characteristics flyer updated with 2023 data

Approximately, 22,300 Minnesota workers were paid workers' compensation indemnity benefits (wage loss and disability) for injuries and illnesses in 2023.

- Fifty-nine percent of these workers were men.
- Twenty-seven percent were older than 54 years.
- Eleven percent were younger than 25 years.
- Thirty-five percent were at their job for less than a year.

View the updated one-page flyer online at dli.mn.gov/business/workers-compensation/claim-characteristics.



Translated webpages, materials, Language Line available via DLI website

The Department of Labor and Industry (DLI) posts its available translated materials online at dli.mn.gov/translations. It has documents available in Chinese, Hmong, Karen, Somali and Spanish. A few other documents throughout the website are available in additional languages.

The DLI website now also provides Google Translate near the upper left corner of each page, allowing visitors to choose the language for the website text.

In addition, DLI has access to Language Line, a free language translation phone service for limited-English speakers. If DLI help is needed, view the contact information at dli.mn.gov/about-department/about-dli/contact-us, call and a DLI employee will get in touch with an interpreter in the needed language.

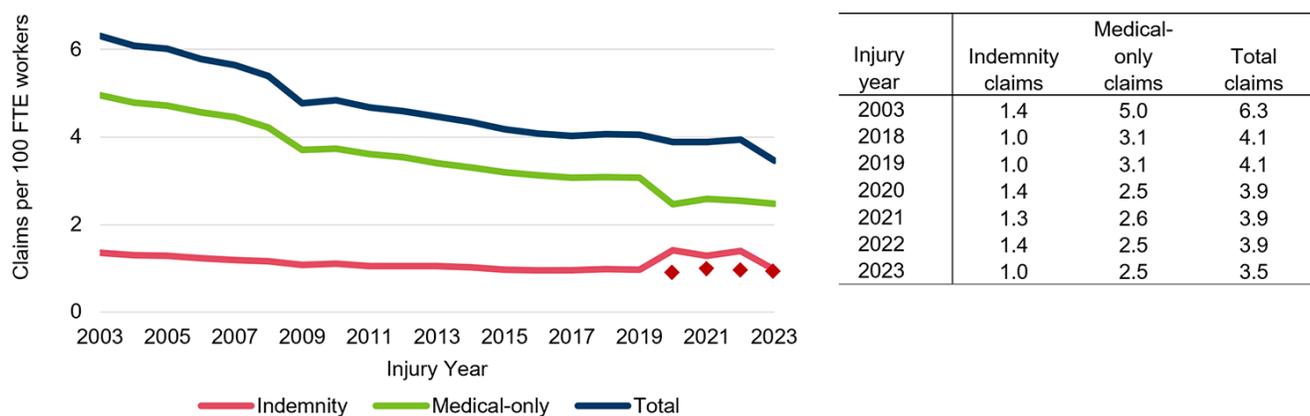
Workers’ compensation claims, costs continue long-term downward trend; total claim rate is at all-time low

Minnesota’s workers’ compensation total claim rate and system cost per \$100 of payroll continued their long-term downward trend in 2023. The total claim rate reached its lowest level in 2023 compared to any other reported year. While claim rate estimates for 2020 through 2022 were strongly affected by the COVID-19 pandemic, the indemnity claim rate returned to its pre-pandemic levels in 2023.

Figure 1 shows the estimated rate of paid claims per 100 full-time-equivalent (FTE) workers from 2003 through 2023. During this period, the estimated indemnity claim rate fell by 28%, from 1.4 to 1.0 per 100 FTE workers; the medical-only claim rate fell by 50%, from 5.0 to 2.5; and the total claim rate fell by 45%, from 6.3 to 3.5. During the 20-year period, the total claim rate fell at an average annual rate of 2.7%, even though it was relatively stable from 2016 through 2019.

The most recent estimates show the impact of COVID-19 on the indemnity claim rate is dissipating: From 2019 to 2022, there was a 43% increase in the estimated indemnity claim rate because of the influx of COVID-19 claims. However, in 2023, the indemnity claim rate reverted to the rate observed before the pandemic. COVID-19 claims accounted for only 5% of indemnity claims in 2023, compared to an average of 32% from 2020 to 2022. In contrast, the 2023 medical-only claim rate remained at the level it was during the pandemic. From 2019 to 2023, there was a 19% decrease in the medical-only claim rate, resulting in the decrease in the total claim rate from 4.1 to 3.5 per 100 FTE workers during this period.

Figure 1. Paid claims per 100 full-time-equivalent workers [1]

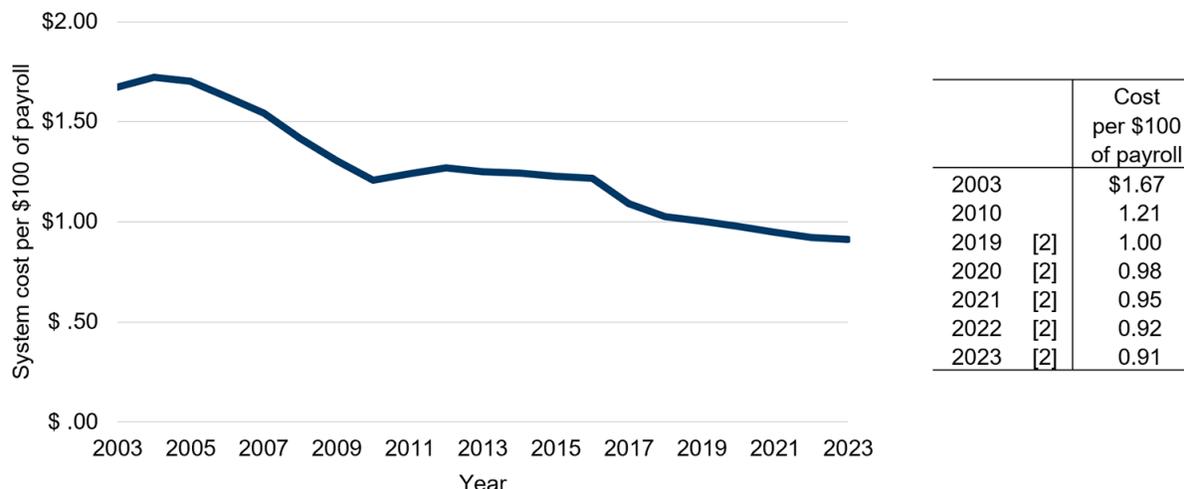


1. Developed statistics from DLI data and other sources. Lines show claim rates for all paid claims, including COVID-19 claims. The diamond markers show the indemnity claim rate for only non-COVID-19 paid indemnity claims from 2020 to 2023.

Figure 2 (see next page) shows total workers’ compensation system cost per \$100 of covered payroll. The estimated total cost of Minnesota’s workers’ compensation system was \$1.80 billion for 2023, or \$0.91 per \$100 of payroll. From 2003 through 2023, system cost fell from \$1.67 to \$0.91 per \$100 of payroll, a drop of 45%. During the long term, system cost per \$100 of payroll follows a cycle of about 10 years.¹ Taking averages over adjacent 10-year periods gives an average annual rate of decline of 3%.

¹This cycle follows a nationwide cycle of alternating “hard” and “soft” insurance markets – periods of high and low premiums, respectively, relative to claim costs.

Figure 2. System cost per \$100 of payroll [1]



1. Data from several sources. Includes insured and self-insured employers.
2. Subject to revision.

Analysis of work comp medical cost data for physical-only injury claims

Medical payments constitute a significant portion of workers’ compensation costs. Although the Department of Labor and Industry does not directly collect medical cost data on injured workers, it receives medical data from the Minnesota Workers’ Compensation Insurers Association, which receives the data from the National Council on Compensation Insurance (NCCI). The Minnesota medical data is submitted to NCCI by Minnesota insurers with at least 1% market share for the most recent three years. Self-insured data is not included. These claims include both medical-only claims and those receiving both medical and indemnity benefits. The numbers in Figures 1 and 2 are pulled from the medical data using diagnostic (ICD-10) codes along with place of service codes. Claims from most recent injury years are less mature, which might understate the cost numbers for those claims.

Figure 1 shows the medical cost per claim, both adjusted (for inflation) and unadjusted, for physical-only injury claims for the 2016 to 2023 injury years. While the unadjusted medical cost per claim increased by 33% from 2016 to 2023, the inflation adjusted cost per claim increased by 15% during the same period. However, the adjusted medical cost per claim decreased by 3% from 2018 to 2019, while only increasing by 3% from 2019 to 2023. The median adjusted cost on the other hand, increased by 14% from 2019 to 2023.

Figure 1. Medical cost per claim for physical injury-only claims

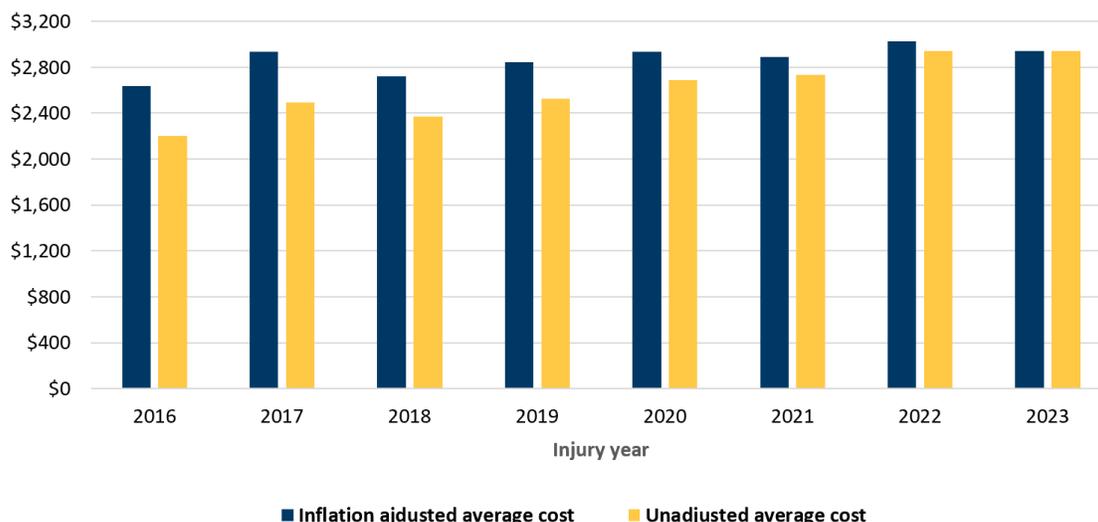
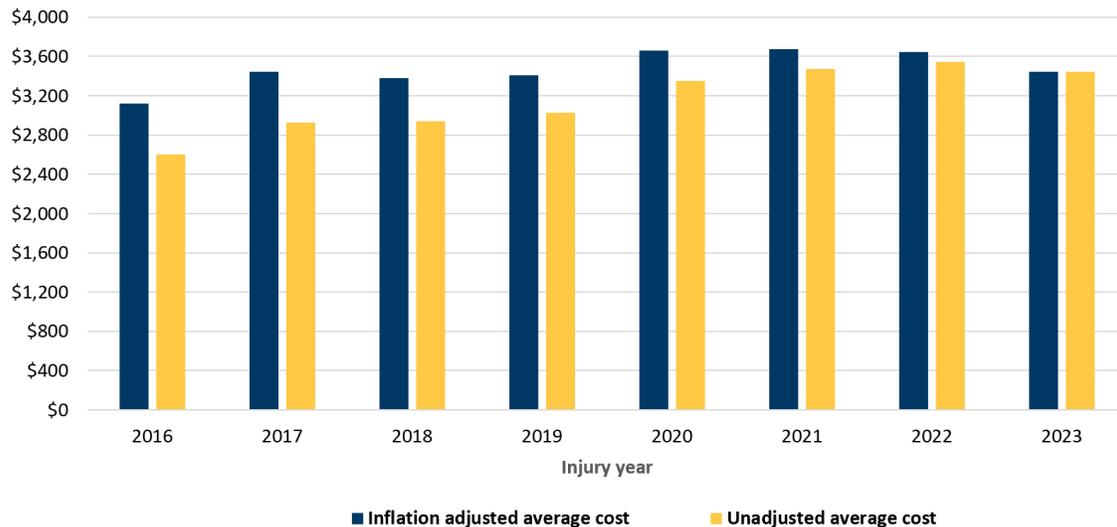


Figure 2 shows the medical cost per claim for services taking place at outpatient facilities for physical-only injury claims for the 2016 through 2023 injury years, which according to DLI calculations, represents about 27% of the overall total medical cost in the medical data call (a similar percentage in NCCI's 2024 report for Minnesota). The inflation-adjusted medical cost per claim for outpatient services increased by 10% from 2016 to 2023, but only by 2% from 2018. The median adjusted cost for outpatient services decreased by 4% from 2016 to 2023. The decrease in the median from 2018, coupled with relatively small increase in the average cost for outpatients, shows the impact of the hospital outpatient fee schedule in slowing outpatient medical cost inflation.

Figure 2. Average outpatient hospital cost for physical-only injury claims



The adjusted average cost for services taking place at an office decreased by 3% from 2018 to 2023, while the median increased by 5% during the same period.

Workers' compensation, Campus assistance available by phone, email

The Workers' Compensation Help Desk is available to answer basic questions related to workers' compensation or Work Comp Campus. It will also route more complex questions to subject matter experts within the Workers' Compensation Division. Live support is available 8 a.m. to 4:30 p.m., Monday through Friday (except holidays). Voicemail messages left outside of office hours will be responded to within 24 hours of the next business day.

- 651-284-5005 (press 3)
- 800-342-5354 (press 3)
- helpdesk.dli@state.mn.us

Introducing the *Campus Connect* newsletter

Stay in the loop with the most recent information, training and updates to Work Comp Campus, Minnesota workers' compensation and other related topics by signing up for *Campus Connect*, the newest monthly newsletter from the Workers' Compensation Division.

Subscribe
to our
newsletter



The newsletter will feature:

- new Campus training videos, manuals and resources;
- opportunities to give feedback and participate in Campus research and development;
- updates and enhancements to Campus;
- important changes to workers' compensation documents and processes; and
- other workers' compensation related topics.

Subscribe to the [newsletter email list](#), then watch your email inbox for the first edition of *Campus Connect* next month.

Workers' compensation events calendar

Note: Event dates may change. Always check the online calendar at dli.mn.gov/about-department/about-dli/events-workers-compensation.

March 2025

March 19
March 26

Workers' Compensation Insurers' Task Force
Workers' Compensation Advisory Council

April 2025

April 3
April 9
April 17
April 25

Rehabilitation Review Panel
Workers' Compensation Advisory Council
Medical Services Review Board
Training: OSHA recordkeeping basics

May 2025

May 21

Workers' Compensation Insurers' Task Force

Training: OSHA recordkeeping basics offered online April 25

The Department of Labor and Industry is offering a free, online introductory-level training seminars about OSHA recordkeeping requirements Friday, April 25, from 8:30 to 11:30 a.m.

Maintaining an accurate OSHA log of recordable work-related injuries and illnesses is an important skill that benefits employers, workers, safety professionals and government agencies.

Topics

- Recordability of injuries and illnesses
- Counting time
- How many logs to keep
- Creating a log summary
- Recording COVID-19 cases
- Differences between OSHA cases and workers' compensation claims
- Classifying cases
- Privacy cases
- Maintaining logs
- Reporting log data to OSHA



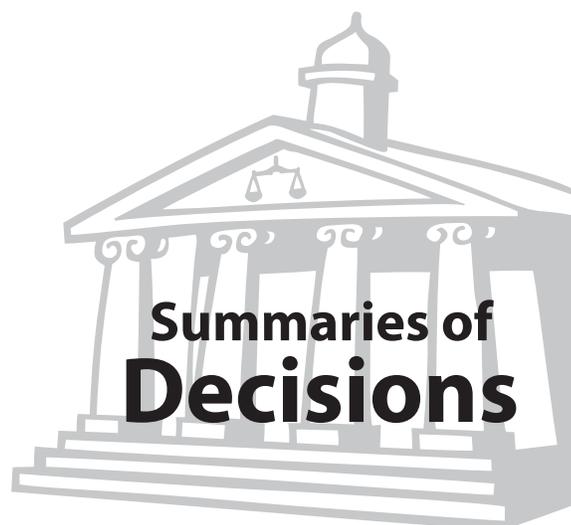
More information

Learn more about these sessions and register to attend (**required**) on the [MNOSHA Compliance: Recordkeeping standard webpage](#).

Workers' Compensation Court of Appeals

November 2024 through January 2025

Case summaries published are
those prepared by the WCCA



Ray Appleby v. Minneapolis Park and Recreation Board, Nov. 4, 2024

Causation – Substantial Evidence

The compensation judge's determination that the additional medical care rendered to the employee's bilateral knees was not causally related to the work injury is supported by substantial evidence in the record showing that the symptoms and objective findings were the same as those found to be unrelated in a prior proceeding.

Evidence – Expert Medical Opinion

The compensation judge did not err in accepting and relying upon the opinions of medical experts that it is not clear the employee suffers from complex regional pain syndrome (CRPS) in denying the employee's claim for medical benefits to the right ankle.

Affirmed.

Isaac Camarena v. Piat, Inc., Nov. 4, 2024

Causation – Substantial Evidence

The employee's testimony, medical record and expert medical opinion was substantial evidence supporting the compensation judge's conclusion that the employee's work injury was a substantial contributing factor to the employee's eye injury, disability and need for medical care, and this conclusion was not clearly erroneous.

Arising Out Of And In The Course Of – Prohibited Act

The employee was not precluded from receipt of workers' compensation benefits as the compensation judge had reasonably concluded that employer and insurer did not adequately demonstrate the existence of the policy or the employee's claimed violation, and the action engaged in was, at most, performing a permissible act in an impermissible manner.

Wages – Calculation

Due to the employee's inconsistent work schedule, both in daily hours and days per week worked, calculation of the employee's average weekly wage by averaging the employee's actual earnings over the 26 weeks prior to the work injury was appropriate.

Affirmed.

Lisa J. Manty v. Miner's Inc., Nov. 15, 2024**Causation – Substantial Evidence**

Substantial evidence, including medical records and expert medical opinion, supports the finding that the employee did not sustain either a specific or Gillette injury on Aug. 13, 2021.

Affirmed.

Cindy Ludwig v. Dakota County, Nov. 25, 2024**Arising Out Of And In The Course Of – Special Hazard**

Substantial evidence supports the compensation judge's determination that the employee was not exposed to a special hazard which caused her back injury.

Arising Out Of And In The Course Of – Special Errand

Where the employee was injured in the process of returning office equipment to the employer by request before her regular shift, she was performing a special errand at the time and therefore her injury arose out of and in the course of her employment.

Affirmed in part, reversed in part and remanded.

Clarence Johnson v. University Good Samaritan, Jan. 10, 2025**Jurisdiction – Subject Matter**

Allegations of fraud involving an employee's union representation and unemployment compensation are outside of this court's jurisdiction.

Vacation of Award – Fraud

Evidence of a permanency rating based on the employee's condition at the time of the settlement, but rendered after the settlement, is not proof of fraud.

Vacation of Award – Substantial Change of Condition

The employee did not present evidence of a substantial change in his medical condition since the award on stipulation.

Petition to vacate denied.

Paula Kay Brunner v. Post Consumer Brands, Jan. 15, 2025**Statutes Construed – Minnesota Statutes § 176.191, Subdivision 3**

An eligible payor under Minnesota Statutes § 176.191, subdivision 3, has the right to payment of the reasonable and necessary cost of care plus statutory interest, as that statute supersedes language in Minn. Stat. § 176.361, subd. 2, that would otherwise extinguish the payor's claim for failure to timely file a motion to intervene.

Statutes Construed – Minn. Stat. § 176.361, Sub. 2

An injured employee's right to assert a direct claim for unpaid medical expenses is not precluded by a third-party payor's failure to intervene and the extinguishment of that payor's intervention rights in a pending workers' compensation proceeding under Minn. Stat. § 176.361.

Reversed.

Clarence Johnson v. Skil-Tech, Inc., Jan. 15, 2025

Vacation of Award – Fraud

Where the petitioner claimed fraud based on claims previously rejected by this court and based on an injury that had not been previously claimed, the elements of fraud have not been met to vacate the awards on stipulation at issue.

Vacation of Award – Substantial Change in Condition**Vacation of Award – Referral for Hearing**

Where there are factual issues regarding medical causation, additional permanent partial disability, the employee's ability to work and need for work restrictions, and payment of medical expenses after the awards on stipulation at issue, the employee's petition to vacate is referred to the Office of Administrative Hearings for a hearing before a compensation judge on the specified issues.

Referred to the Office of Administrative Hearings.

Erin Lindsay v. Minneapolis Public Schools, Jan. 30, 2025

Arising Out Of And In The Course Of – Recreational Activities

Where the employee was injured while playing basketball with her students, an activity that benefited the students and her employer, the compensation judge did not err in determining that Minnesota Statutes § 176.021, subdivision 9, did not bar the employee's claim.

Arising Out Of And In The Course Of

The compensation judge did not err in determining that the employee's injury occurred in the course of her employment because she was injured at the school gym, 30 minutes after the end of the school day, and while building relationships with her students and furthering the school's mission.

Affirmed.