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AN ACT

RELATING TO INSURANCE; AMENDING THE WORKERS' COMPENSATION ACT AND THE NEW MEXICO OCCUPATIONAL DISEASE DISABLEMENT LAW TO CHANGE TEMPORARY DISABILITY BENEFITS; PROVIDING FOR LIFETIME MAXIMUM PERIOD.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF NEW MEXICO: SECTION 1. Section 52-1-41 NMSA 1978 (being Laws 1959, Chapter 67, Section 20, as amended) is amended to read:

"52-1-41. COMPENSATION BENEFITS--TOTAL DISABILITY.--

For total disability, the worker shall receive, 11 Α. during the period of that disability, sixty-six and 12 two-thirds percent of the worker's average weekly wage, and 13 not to exceed a maximum compensation of eighty-five percent 14 15 of the average weekly wage in the state, a week, effective July 1, 1987 through December 31, 1999, and thereafter not to 16 exceed a maximum compensation of one hundred percent of the 17 average weekly wage in the state, a week; and to be not less 18 than a minimum compensation of thirty-six dollars (\$36.00) a 19 20 week.

B. For permanent total disability as set forth in
Section 52-1-25 NMSA 1978, the worker shall receive
compensation benefits for the remainder of the worker's life.
For temporary disability as set forth in Section 52-1-25.1
NMSA 1978, the maximum period of compensation is subject to SB 233

the maximum duration and limitation on compensation benefits set forth in Section 52-1-47 NMSA 1978.

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3 C. For disability resulting from primary mental impairment, the maximum period of compensation is the maximum 4 period allowable for a physical injury, as set forth in 5 Sections 52-1-26 and 52-1-42 NMSA 1978, and subject to the 6 maximum duration and limitations on compensation benefits set 7 forth in Section 52-1-47 NMSA 1978. For disability resulting 8 in secondary mental impairment, the maximum period of 9 compensation is the maximum period allowable for the 10 disability produced by the physical impairment, as set forth 11 in Section 52-1-26 or 52-1-43 NMSA 1978 and Section 52-1-42 12 NMSA 1978, and subject to the maximum duration and 13 limitations on compensation benefits set forth in Section 14 52-1-47 NMSA 1978. 15

D. For the purpose of paying compensation benefits for death, pursuant to Section 52-1-46 NMSA 1978, the worker's maximum disability recovery shall be deemed to be seven hundred weeks.

E. Where the worker's average weekly wage is less than thirty-six dollars (\$36.00) a week, the compensation to be paid the worker shall be the worker's full weekly wage.

F. For the purpose of the Workers' Compensation Act, the average weekly wage in the state shall be determined by the workforce solutions department on or before June 30 of SB 233

each year and shall be computed from all wages reported to the workforce solutions department from employing units, including reimbursable employers, in accordance with the rules of the department for the preceding calendar year, divided by the total number of covered employees divided by fifty-two.

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G. The average weekly wage in the state, 7 8 determined as provided in Subsection F of this section, shall be applicable for the full period during which compensation 9 is payable when the date of the occurrence of an accidental 10 injury falls within the calendar year commencing January 1 11 following the June 30 determination. 12

Unless the computation provided for in H. 13 Subsection F of this section results in an increase or 14 decrease of two dollars (\$2.00) or more, raised to the next 15 whole dollar, the statewide average weekly wage determination shall not be changed for any calendar year."

SECTION 2. Section 52-1-42 NMSA 1978 (being Laws 1959, Chapter 67, Section 21, as amended) is amended to read:

"52-1-42. COMPENSATION BENEFITS--PERMANENT PARTIAL DISABILITY--MAXIMUM DURATION OF BENEFITS.--

A. For permanent partial disability, the workers' 22 compensation benefits not specifically provided for in 23 Section 52-1-43 NMSA 1978 shall be a percentage of the weekly 24 benefit payable for total disability as provided in

1 Section 52-1-41 NMSA 1978. The percentage of permanent 2 partial disability shall be determined pursuant to the 3 provisions of Sections 52-1-26 through 52-1-26.4 NMSA 1978. The duration of partial disability benefits shall depend upon 4 5 the extent and nature of the partial disability, subject to the following: 6 (1) where the worker's percentage of 7 disability is equal to or greater than eighty, the maximum 8 period is seven hundred weeks; 9 (2) where the worker's percentage of 10 disability is less than eighty, the maximum period is five 11 hundred weeks; 12 (3) where the partial disability results 13 from a primary mental impairment, the maximum period is the 14 maximum period allowable for a physical injury, as set forth 15 in Section 52-1-26 NMSA 1978, and subject to the maximum 16 duration and limitations on compensation benefits set forth 17 in Section 52-1-47 NMSA 1978; and 18 (4) where the partial disability results 19 from a secondary mental impairment, the maximum period is the 20 maximum period allowable for the disability produced by the 21 physical impairment, as set forth in Section 52-1-26 or 22 52-1-43 NMSA 1978, and subject to the maximum duration and 23 limitations on compensation benefits set forth in 24 Section 52-1-47 NMSA 1978. 25

B. If an injured worker receives temporary disability benefits prior to an award of permanent partial disability benefits, the maximum period for permanent partial disability benefits shall be reduced by the number of weeks the worker actually receives temporary disability benefits."

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SECTION 3. Section 52-1-47 NMSA 1978 (being Laws 1959, Chapter 67, Section 26, as amended) is amended to read:

"52-1-47. LIMITATIONS ON COMPENSATION BENEFITS.--Subject to the limitation of compensation payable under Subsection G of Section 52-1-46 NMSA 1978 and except for provision of lifetime benefits for permanent total disability awarded pursuant to Section 52-1-41 NMSA 1978:

A. compensation benefits for any combination of disabilities, whether temporary or permanent, or any combination of disabilities and death shall not be payable for a period in excess of seven hundred weeks;

B. compensation benefits for any combination of 17 disabilities or any combination of disabilities and death 18 shall not exceed an amount equal to seven hundred multiplied 19 by the maximum weekly compensation payable at the time of the 20 accidental injury resulting in the disability or death under 21 Section 52-1-41 NMSA 1978, exclusive of increased 22 compensation that may be awarded under Sections 52-1-10, 23 52-1-28.1 and 52-1-46 NMSA 1978 and exclusive of any attorney 24 fees awarded under Section 52-1-54 NMSA 1978; 25 SB 233

C. in no case shall compensation benefits for disability continue after the disability ends or after the death of the injured worker; and

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D. the compensation benefits payable by reason of disability caused by accidental injury shall be reduced by the compensation benefits paid or payable on account of any prior injury suffered by the worker if compensation benefits in both instances are for injury to the same member or function or different parts of the same member or function or for disfigurement and if the compensation benefits payable on account of the subsequent injury would, in whole or in part, duplicate the benefits paid or payable on account of the prior injury."

SECTION 4. Section 52-3-14 NMSA 1978 (being Laws 1945, Chapter 135, Section 14, as amended) is amended to read: "52-3-14. COMPENSATION--LIMITATIONS.--

Α. The compensation to which a worker who has 17 suffered disablement, or the worker's dependents, shall be 18 entitled under the New Mexico Occupational Disease 19 Disablement Law is limited to the provisions of that law. No 20 compensation shall be due or payable under the New Mexico 21 Occupational Disease Disablement Law for any disablement that 22 does not result in either the temporary disablement of the 23 worker lasting for more than seven days or in the worker's 24 permanent disablement as herein described or in death; 25

1 provided, however, that if the period of temporary 2 disablement of the worker lasts for more than four weeks from 3 the date of the disablement, compensation under the New Mexico Occupational Disease Disablement Law shall be 4 payable in addition to the amount hereinafter stated in a 5 like amount for the first seven days after the date of 6 disablement. But for any such disablement for which 7 8 compensation is payable under the New Mexico Occupational Disease Disablement Law, the employer shall in all proper 9 cases, as herein provided, pay to the disabled worker or to 10 some person authorized by the director to receive the same, 11 for the use and benefit of the beneficiaries entitled 12 thereto, compensation at regular intervals of no more than 13 sixteen days apart, in accordance with this section, less 14 proper deductions on account of default in failure to give 15 notice of such disablement as required in Section 52-3-19 16 NMSA 1978. 17

For total disablement, the worker shall receive Β. 18 sixty-six and two-thirds percent of the worker's average 19 weekly wage, not to exceed a maximum compensation of 20 eighty-five percent of the average weekly wage in the state, 21 a week, effective July 1, 1987, continuing through December 22 31, 1999, and thereafter not to exceed a maximum of one 23 hundred percent of the average weekly wage in the state, a 24 week, but not to be less than a minimum compensation of 25

thirty-six dollars (\$36.00) a week, during the period of such disablement, but in no event to exceed a period of seven hundred weeks; provided, however, that when the workers' wages are less than thirty-six dollars (\$36.00) a week, then the compensation to be paid such worker shall be the full amount of such weekly wages; provided further that the benefits paid or payable during a worker's entire period of disablement shall be based on and limited to the benefits in effect on the date of the occurrence of the disablement.

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C. For partial disablement, the benefits shall be a percentage of the benefits payable for total disablement calculated under Subsection B of this section as that percentage is determined pursuant to the provisions of Section 52-3-4 NMSA 1978. In no event shall the duration of partial benefits extend longer than five hundred weeks.

D. In no event shall the duration of any combination of disablements, whether temporary or partial disablements, and death be payable for a period in excess of seven hundred weeks.

E. For the purpose of the New Mexico Occupational Disease Disablement Law, the average weekly wage in the state shall be determined by the workforce solutions department on or before June 30 of each year and shall be computed from all wages reported to the department from employing units, including reimbursable employers, in accordance with the

rules of the department for the preceding calendar year, divided by the total number of covered employees divided by fifty-two. The first such determination by the employment security division of the average weekly wage in the state shall be made on or before June 30, 1975 from reported wages and covered employees for the calendar year ending December 31, 1974.

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8 F. The average weekly wage in the state, determined as provided in Subsection E of this section, shall 9 be applicable for the full period during which compensation 10 is payable when the date of the occurrence of the disablement 11 falls within the calendar year commencing January 1 following 12 the June 30 determination. 13

G. Unless the computation provided for in 14 Subsection E of this section results in an increase or 15 decrease of two dollars (\$2.00) or more, raised to the next 16 whole dollar, the statewide average weekly wage determination 17 shall not be changed for any calendar year. 18

Η. In case death proximately results from the disablement within the period of two years, compensation benefits to be paid such worker shall be in the amounts and to the persons as follows: 22

(1)if there are no dependents, the compensation shall be limited to the funeral expenses not to exceed seven thousand five hundred dollars (\$7,500) and the

expenses provided for medical and hospital services for the deceased, together with such other sums as the deceased may have been paid for disablement; or

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if there are dependents at the time of (2) 4 death, the payment shall consist of a sum not to exceed seven 5 thousand five hundred dollars (\$7,500) for funeral expenses 6 and expenses provided for medical and hospital services for 7 8 the deceased, together with such other sums as the deceased may have been paid for disability, and a percentage specified 9 in this paragraph for average weekly wages subject to the 10 limitations of the New Mexico Occupational Disease 11 Disablement Law to continue for the period of seven hundred 12 weeks from the date of death of such worker; provided that 13 the total death compensation, unless otherwise specified, 14 payable in any of the cases mentioned in this section shall 15 not be less than the minimum weekly compensation provided in 16 Subsection B of this section or more than the maximum weekly 17 compensation provided in Subsection B of this section and 18 shall be based on and limited to the benefits in effect on 19 the date of the occurrence of the disablement. If there are 20 dependents entitled thereto, compensation shall be paid to 21 the dependents or to the person authorized by the director or 22 the court to receive the same for the benefit of the 23 dependents in such portions and amounts as the director or 24 the court, bearing in mind the necessities of the case and 25

1 the best interests of the dependents and of the public, may 2 determine, to be computed on the following basis and 3 distributed to the following persons: (a) to the child or children, if there 4 5 is no widow or widower entitled to compensation, sixty-six and two-thirds percent of the average weekly wage of the 6 deceased; 7 (b) to the widow or widower, if there 8 are no children, sixty-six and two-thirds percent of the 9 average weekly wage of the deceased, until remarriage; 10 (c) to the widow or widower, if there 11 is a child or children living with the widow or widower, 12 forty-five percent of the compensation rate, as provided in 13 Subsection B of this section, of the deceased, or forty 14 percent, if such child is not or all such children are not 15 living with a widow or widower, and in addition thereto, 16 compensation benefits for the child or children, which shall 17 make the total benefits for the widow or widower and child or 18 children sixty-six and two-thirds percent of the average 19 weekly wage of the deceased. When there are two or more 20 children, the compensation benefits payable on account of 21 such children shall be divided among such children, share and 22 share alike; 23 two years' compensation benefits in (d) 24

one lump sum shall be payable to a widow or widower upon SB 233

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remarriage; however, the total benefits shall not exceed the maximum compensation benefits as provided in Paragraph (2) of this subsection;

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if there is neither widow, widower (e) 4 nor children, then to the father and mother or the survivor 5 of them if dependent to any extent upon the worker for 6 support at the time of the worker's death, twenty-five 7 8 percent of the average weekly wage of the deceased; provided that if such father and mother, or the survivor of them, was 9 totally dependent upon such worker for support at the time of 10 the worker's death, they shall be entitled to fifty percent 11 of the average weekly wage of the deceased, subject to the 12 maximum weekly compensation provided for in Subsection B of 13 this section; 14

no disablement benefits payable by (f) 15 reason of a worker's death shall exceed the maximum weekly 16 compensation provided for in Subsection B of this section, 17 and no dependent or any class thereof other than a widow or 18 widower or children shall in any event be paid total benefits 19 in excess of seven thousand five hundred dollars (\$7,500) 20 exclusive of funeral expenses and the expenses provided for 21 medical and hospital services for the deceased paid for by 22 the employer. If there is neither widow, widower nor 23 children nor dependent parent, then to the brothers and 24 sisters, if actually dependent to any extent upon the 25

1 deceased for support at the time of the deceased's death, 2 thirty-five percent of the average weekly wage of the 3 deceased, with fifteen percent additional for brothers or sisters in excess of two, with a maximum of sixty-six and 4 two-thirds percent to be paid to their guardian; provided 5 that the maximum compensation to partial dependents shall not 6 exceed the respective amounts therefor contributed by the 7 8 deceased employee or the maximum weekly compensation provided for in Subsection B of this section; and 9 in the event of the death or 10 (g) remarriage of the widow or widower entitled to compensation 11 under this subsection, the surviving children shall then be 12 entitled to compensation computed and paid as in Subparagraph 13 (a) of this paragraph for the remainder of the compensable 14 period, and in the event compensation benefits payable to 15 children as provided in this section are terminated as 16 provided in Paragraph (5) of Subsection A of Section 52-3-13 17 NMSA 1978, a surviving widow or widower shall then be entitled 18 to compensation benefits computed and paid as provided in 19 Subparagraphs (b) and (d) of this paragraph for the remainder 20 of the compensable period."____ 21 SB 233 Page 13 22

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