

WORKERS' COMPENSATION



MANUAL

WORKERS' COMPENSATION MANUAL

This Workers' Compensation Manual is for all coordinators responsible for reporting workers' compensation claims and any information pertaining to these claims under the Commonwealth of Kentucky's Self-Insured Workers' Compensation Program (WCP). Every coordinator should make sure all agency personnel working with workers' compensation has this manual available to comply with the WCP's procedures. Go to the [Personnel Cabinet's website](#) for more information.

SECTION 1 – ADMINISTRATION

Workers' Compensation Law	1-1
Workers' Compensation Program	1-1
Eligibility	1-2

SECTION 2 – BENEFITS

Medical	2-1
Temporary Total Disability (TTD)	2-1
Permanent Partial Disability (PPD)	2-2
Permanent Total Disability (PTD)	2-2
Death and Burial Workers' Compensation	2-3
TTD Checks Rehabilitation	2-3
Return-To-Work Program	2-3
	2-4

SECTION 3 – PROCEDURES FOR FILING FORMS

To obtain forms go to: [Workers' Compensation Insurance \(ky.gov\)](#)

First Report of Injury (IA-1) Form	3-1
First Report of Injury (IA-1) Signature Page Medical Waiver and Consent Form	3-2
Workers' Comp. Temporary Prescription Services ID Form	3-2
Loss Time and Return to Work Form	3-2
Accumulated Leave – Workers' Compensation Form	3-2
Report of Medical Status	3-3
Reimbursement Form	3-3
Average Weekly Wage Form	3-3
Workers' Compensation Notice	3-4

APPENDIX

Definitions	A-1
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SECTION 1



ADMINISTRATION

SECTION 1 – ADMINISTRATION

WORKERS' COMPENSATION LAW

Workers' Compensation Law (KRS Chapter 342) is designed to compensate employees for loss of earning power due to work-related injuries or disease arising out of and in the course of their employment. This coverage includes:

- Medical
- TTD
- PPD
- PTD
- Rehabilitation Services
- Death and Burial Benefits

NOTE: Refer to Department of Workers' Claims (DWC) for more information.

STATE EMPLOYEE WORKERS' COMPENSATION FUND

On July 1, 1979, the Commonwealth of Kentucky established the WCP to be administered by the Personnel Cabinet. Claims are processed and reviewed by the Workers' Compensation Branch along with their third-party administrator (TPA).

Services provided by the TPA include:

- Investigate all reported injuries to establish compensability.
- Payment of benefits.
- Establish reserves.
- Arrange independent medical examinations.
- Assist RTW Program in returning injured employees to the workforce.
- Coordinate Managed Care Plan for medical benefits.
- Contact WCP for authorization of settlements.

ELIGIBILITY

The WCP currently covers:

All State employees (except Transportation Cabinet)
Kentucky Community and Technical College System
Volunteer Firefighters
Volunteer Ambulance Personnel
Kentucky Lottery Corporation
The Kentucky Center for the Arts
Boone County Clerk's Office
Boone County Sheriff's Office
Campbell County Clerk's Office
Campbell County Sheriff's Office
Christian County Clerk's Office
Christian County Sheriff's Office
Daviess County Clerk's Office
Daviess County Sheriff's Office
Hardin County Clerk's Office
Hardin County Sheriff's Office
Fayette County Clerk's Office
Fayette County Sheriff's Office
Jefferson County Sheriff's Office
Kenton County Clerk's Office
Madison County Clerk's Office

Pike County Clerk's Office
Pike County Sheriff's Office
Warren County Clerk's Office
Warren County Sheriff's Office
Ampersand Sexual Violence Resource Ctr.
Silverleaf Sexual Trauma Recovery Serv.
Judi's Place for Kids
Lake Cumberland Children's Advocacy Ctr.
KY Horse Racing & Gaming Corp

SECTION 2



BENEFITS

SECTION 2 - BENEFITS

MEDICAL

An employee who sustains a **compensable** injury or disease is entitled to immediate and continuing medical treatment at the expense of the employer. An employee should not use their health insurance when they are seeking treatment under workers' compensation. The employer shall pay for the treatment of an injury or occupational disease as may be reasonable and necessary at the time of the injury and thereafter during disability. This treatment includes:

- Medical
- Surgical and hospital treatment
- Nursing
- Medical supplies, surgical supplies, and appliances

Requiring employees to make co-payments for treatment of work-related injuries is unlawful. Likewise, medical providers **may not** engage in "balance billing" by charging employees separately for amounts in excess of those set forth in the Kentucky Medical Fee Schedule in the Commonwealth.

TEMPORARY TOTAL DISABILITY

An employee who sustains a compensable injury or disease and is unable to work after a waiting period of seven (7) days is entitled to income benefits which are calculated at:

- 66 2/3 percent of his average weekly wage, but no more than one hundred percent (100%), or less than twenty percent (20%) of the State's average weekly wage.

The weekly wage benefits for an injury have a **minimum** and **maximum** amount set by the DWC. The current benefit schedule can be found at:

[DWC Forms](#)

Entitlement to these benefits begins on the eighth (8th) day of disability determined by a physician. The first seven (7) days of disability are payable only if total disability lasts fifteen (15) days or more and does not include the date of injury. "Days of Disability" does not refer only to consecutive scheduled workdays, but also includes weekends and holidays.

TTD benefits usually continue until an employee reaches maximum medical improvement, is released to return to work by a physician, or returns to work, including modified duty, whichever occurs first.

PERMANENT PARTIAL DISABILITY

An employee, who has recovered to the point where substantial improvement is no longer likely from an occupational injury or disease, but still has some permanent impairment, is entitled to benefits calculated as follows:

- When an employee returns to work at an equal or greater wage, that employee will receive 66 2/3 percent of their average weekly wage, but not more than seventy-five percent (75%) of the State's average weekly wage, multiplied by their percentage of impairment caused by the injury or disease. Please refer to the DWC for further information.

PERMANENT TOTAL DISABILITY

An employee who has reached maximum medical improvement but still has permanent impairment and restrictions, which prevent performance of their regular employment of the type they were doing prior to the injury, is entitled to benefits calculated at:

- 66 2/3 percent of their average weekly wage, but not more than one hundred percent (100%) or less than twenty percent (20%) of the State's average weekly wage. Please refer to the DWC for further information.

DEATH AND BURIAL BENEFITS

If death of employee occurs within four (4) years from date of injury as a direct result of the injury, a lump sum payment to the estate will be made, from which burial expenses are to be paid.

WORKERS' COMPENSATION TTD CHECKS

Employer Paid Leave (ERPL) is six-weeks paid leave granted to full time KRS Chapter 18A employees hired September 30, 2025, or later. An employer may be eligible for ERPL due to a work-related injury. If eligible, ERPL leave is used prior to any other accumulated leave and is considered a salary continuation situation.

According to 101 KAR 2:140 Section 4(2), accumulated leave may be used in order to maintain regular full salary for absences due to illness or injury for which workers' compensation benefits are received.

Under no circumstances should employees receive the benefit of paid leave and workers' compensation income benefits for the same period of time. Employees shall not receive more than their normal salary for this period of time. The payroll officer is responsible for ensuring that this does not occur. Upon receipt of the Workers' Compensation check, the payroll officer would determine if the employee was entitled to receive the check by following the below guidelines. Payroll officers are encouraged to refer to the WC calculator when going through this process to verify accurate accounting of leave.

1. If the employee utilized leave for the entire period, the Workers' Compensation check would be signed over to the State to reinstate leave. To determine the number of hours to reinstate, the payroll officer would divide the Workers' Compensation check by the employee's hourly wage rate and reinstate that number of hours to the employee's leave balance.
2. If the employee was placed on leave without pay (LWOP) for the entire period, the employee would be entitled to receive the entire Workers' Compensation check.
3. If the employee utilized leave and was also placed on leave without pay for a portion of the period, the Workers' Compensation check and the employee's payroll check would be added together to determine if the total would exceed the employee's normal salary.
 - a. If the two (2) checks do not exceed the employee's normal salary, the employee is entitled to receive both checks.
 - b. If the two (2) checks exceed the employee's normal salary, the amount in excess of the normal salary must be paid back to the State to reinstate leave. The amount in excess is divided by the employee's hourly wage to obtain the number of hours of leave to reinstate to the employee's leave balance.

REHABILITATION

An employee who sustains an injury under Workers' Compensation shall be entitled to prompt medical rehabilitation services for the period of time necessary to accomplish physical rehabilitation goals, which are feasible, practical, and justifiable. If the employee is unable to perform work for which they have previous training or experience, the employee shall be entitled to such vocational rehabilitation services, including retraining and job placement pursuant to KRS 342.710.

RETURN-TO-WORK (RTW) PROGRAM

Responsibilities of the RTW Program include:

- Working with each agency covered under the WCP to coordinate an efficient return to work for employees with a work-related injury. The program is designed to minimize lost time from work.
- Working with employers to modify the work environment to meet physical restrictions ordered by physicians during recovery, and to assist employers with providing specific modified duty programs.
- Coordinating services with rehabilitation nurses and claim adjusters to determine the extent of the restrictions, length of projected recovery, and to work with employers to provide a successful return to modified-duty and full-duty work
- Work with the State Safety Program and Workers' Compensation Administrator to prevent injuries and to provide proactive management of workers' compensation claims.

It is extremely important that each agency make an extra effort to return injured workers to the job. In 1990, the Americans with Disabilities Act (ADA) was enacted and it is more important than ever to meet the employee's restrictions and provide job modifications for employees with disabilities. For more information on the RTW Program visit:

[Return to Work Program \(ky.gov\)](http://ky.gov)

“It is usually in the patient’s best interest to remain in the workforce.”*

*Source: American Medical Association’s A Physician’s Guide to Return to Work-2005

SECTION 3



PROCEDURES FOR FILING FORMS

SECTION 3 - PROCEDURES AND FORMS

CCMSI, Inc is the current third-party administrator for the Commonwealth. CCMSI's toll free number for adjusters and nurses is 1-866-320-8456, Fax: 502-426-9510. The Commonwealth began utilizing a Managed Care Plan (MCP) 10/1/2005 per KRS 342- 020, for workers' compensation medical benefits. This is a health care system that employs a network of "gatekeeper" physicians who provide referrals to specialists when needed. Injured employees must treat within the MCP with some exceptions for emergency care and may seek a second opinion "out-of-network" when surgery is recommended. Each agency is responsible for posting and distributing information regarding the MCP to their employees. County Postings are available at:

[Managed Care Physician Listing](#)

FIRST REPORT OF INJURY OR ILLNESS (IA-1)

Employees should notify their supervisor as soon as possible should they sustain a work-related injury, whether or not the employee seeks immediate medical treatment. (KRS 342.185). When a supervisor has knowledge of a work-related injury or illness or *alleged injury or illness*, it is their responsibility to obtain all pertinent information and complete a First Report of Injury (IA-1). The supervisor should enter the IA-1 online for submission directly to the Workers' Compensation Branch at:

[WCP First Report of Injury \(IA-1\)](#). For employers that have limited internet access only, the Workers' Compensation Branch call in line will continue to be available. The reporting time is Monday through Friday from 8:00 AM to 4:30 PM EST at either (502) 564-6846 or (502)564-6847 or toll free at 1-888-860-0302. If the injury occurs during the evening hours or on the weekend, the injury may be reported immediately online or at the beginning of the next working day. The Claim Number will be emailed to your agency for your record. Even if the employee does not plan to visit a doctor, it is still important to report a First Report of Injury (IA-1). This must be completed "within three (3) working days". (KRS 342.038), after the injury due to the time requirement on making the first payment to the employee. This requirement cannot be met if the injury report is not received promptly. Failure to comply with this statute can result in a fine being levied of up to \$1,000.00 for each occurrence. The First Report of Injury (IA-1) must be submitted by the supervisor (or designee) immediately after notification of injury. The First Report of Injury (IA-1) must be complete and thorough. Please provide specifics:

i.e., right arm or left arm, upper back or lower back, etc. Each question must be answered completely and accurately. Please call in the event of a serious injury or fatality.

It is unlawful to knowingly make a misrepresentation of a material fact to obtain workers' compensation benefits. Likewise, it is unlawful to misrepresent important facts to avoid responsibility under the law. Through its Insurance Fraud Unit, the Department of Insurance actively investigates and prosecutes workers' compensation fraud. Violations may result in civil fines and criminal procedures.

First Report of Injury (IA-1) Signature Page

All employees reporting a work-related injury must sign this signature page when the submitted form is completed. By signing this page, employees acknowledge they understand it is unlawful to file a fraudulent workers' compensation claim.

MEDICAL WAIVER AND CONSENT FORM (FORM 106)

Form 106 must be completed by the employee and submitted along with the First Report of Injury (IA-1). This form allows the WCP and its TPA to obtain medical documentation on the employee's injury. The employer is entitled to a signed release of medical information when an employee reports a work-related injury or disease. Any medical bills received by the employer should be sent to the Workers' Compensation Program's TPA: CCMSI, Inc. P O Box 43909 Louisville Kentucky 40253, 1-866-320-8456.

WORKERS' COMPENSATION TEMPORARY PRESCRIPTION SERVICES ID FORM

May be given to injured employees at time of injury to fill related prescriptions. This form must be presented to your pharmacist when you fill your initial prescription(s).

LOSS TIME AND RETURN TO WORK FORM (WCF-1)

Form WCF-1 must be completed by the supervisor and submitted **immediately** when one of the following occurs in order for employees to receive their lost time benefits in a timely manner:

- When an injured employee loses time from work due to a work-related injury.
- When an injured employee returns to work.
- At the time of death of an injured employee.

ACCUMULATED LEAVE - WORKERS' COMPENSATION FORM

According to 101 KAR 2:140 Section 4 (2), accumulated leave may be used in order to maintain regular full salary for absences due to illness or injury for which workers' compensation benefits are received.!

To use accumulated leave for a Workers' Compensation injury, the employee must remit their Workers' Compensation check to the agency by completing an Accumulated Leave - Workers' Compensation form prior to receiving accumulated leave. This form **must be signed** by the employee, witnessed, and forwarded to the payroll officer for their records.

REPORT OF MEDICAL STATUS FORM (WCF-5)

The Report of Medical Status Form (WCF-5) should be issued at the time the First Report of Injury (IA-1) is completed or as soon as practicable, if the employee intends to seek medical treatment. This form must be issued to the employee prior to their first doctor's appointment. The employer is responsible for completing the first section of the form titled, "To Be Completed By Employer". The physician will then complete the remaining sections of the form and return it to the employee. Once the physician has completed the form, the employee should return the completed form to their employer. The employer will then securely email/fax the completed form to the WCP. It is imperative that each injured employee receive this form before they go to the doctor's office. With the proper completion of this form, the WCP can better monitor the treatment of each injured employee.

REIMBURSEMENT FORM - Employees requesting reimbursement for eligible out-of-pocket expenses should use the Request for Payment For Services or Reimbursement Form 114 adopted by DWC.

AVERAGE WEEKLY WAGE FORM – This form should be completed by the employer when requested and **includes all paid leave**. In most instances, an employee's AWW is calculated by using the highest wages paid during a 13 week period in the year before the injury occurred. If the employee has not worked 52 weeks, a "like employee's" wages should be used. Overtime is included, but only at the regular hourly wages. These earnings for the highest quarter are then divided by 13 and the result is the employee's AWW. Questions regarding this form should be forwarded to the Workers' Compensation Branch.



COMMONWEALTH OF KENTUCKY WORKERS COMPENSATION NOTICE

Employees of this business are covered by the Kentucky Workers Compensation Act (KRS Chapter 342). Conspicuous posting of this notice is required by law.

Employer Name: Commonwealth of KY/Personnel Cabinet

Address: 501 High Street, 3rd Floor, Frankfort, KY 40601

Compensation Carrier (or Third-Party Administrator): (CCMSI), Inc.

Policy No: Self-Insured

Address: P.O. Box 2940 Clinton, IA 52733-2940

Telephone: Toll free 1-866-320-8456 , **Contact Person:** Mary Carney

EMPLOYEES: If INJURED – NOTIFY your Supervisor IMMEDIATELY; when possible Notice should be in writing. FAILURE to notify your supervisor could result in denial of benefits. OBTAIN MEDICAL CARE. Your employer must pay for ALL NECESSARY MEDICAL CARE to treat a workplace injury. The employee may select the physician or medical facility to render care. If the employer is enrolled in an approved Managed Care Plan employee selection of physicians is LIMITED to the Approved Provider Network, except in certain emergencies. FOR INJURIES REQUIRING CONTINUING CARE the EMPLOYEE MUST DESIGNATE A TREATING PHYSICIAN, a form to do so will be furnished by your employer or its insurance carrier.

This employer IS XX IS NOT__ participating in a Managed Care Plan for medical care. The name of the Managed Care Plan is Comp MC, its representative is Lori Marshall phone no: 866-361-6899

DISABILITY BENEFITS to replace wages lost due to a workplace injury are payable under the Workers Compensation Act after (7) days of disability. A CLAIM MUST BE filed with the Department of Workers Claims WITHIN TWO YEARS of the date of injury, or last payment of temporary total disability benefits.

NEED ASSISTANCE? Contact your employer's claim representative. If your questions about workers compensation rights are not promptly answered call The Kentucky Department of Workers Claims at 1-800-554-8601 to speak to an Ombudsman or Workers Compensation Specialist.

EMPLOYER SUPERVISORS – NOTIFY MANAGEMENT IMMEDIATELY OF ALL INJURIES SO A THAT TIMELY REPORT CAN BE MADE AS REQUIRED BY LAW.

APPENDIX



DEFINITIONS

COMPENSABLE	Entitlement to benefits
COMPENSATION	Payment to injured worker or dependents
DISABILITY	A decrease of wage earning capacity due to injury or loss of ability to compete to obtain the kind of work the employee is customarily able to do.
TEMPORARY TOTAL DISABILITY (TTD)	Means the condition of an employee who has not reached <i>maximum medical improvement</i> from an injury and has not reached a level of improvement that would permit a return to employment.
INCOME BENEFITS	Payments made to the disabled worker or dependents in case of death, excluding medical and related benefits.
INJURY	"Injury" means any work-related traumatic event or series of traumatic events including cumulative trauma, arising out of and in the course of employment which is the proximate cause producing a harmful change in the human organism evidenced by objective medical findings. "Injury" does not include the effects of the natural aging process and does not include any communicable disease unless the risk of contracting the disease is increased by the nature of the employment. "Injury" when used generally, unless the context indicates otherwise, shall include an occupational disease and damage to a prosthetic appliance, but shall not include a psychological, psychiatric, or stress-related change in the human organism, unless it is a direct result of a physical injury.
OCCUPATIONAL DISEASE	Means a <u>disease</u> arising out of and in the course of the employment.
MEDICAL RELATED BENEFITS	Payments made for medical, hospital, burial, and other services other than income benefits.
MEDICAL SERVICES	Medical, surgical, dental, hospital, nursing and medical rehabilitation services, medicines, and fittings for artificial or prosthetic devices
SELF-INSURER	An employer who has been authorized to carry its own liability on its employees.
Employer Paid Leave (ERPL):	Employer Paid Leave (ERPL) is six-weeks of paid leave granted to full time KRS Chapter 18A employees hired September 30, 2025, or later.