

April 12, 2017

TO: IMWCA Members

FROM: Jeff Hovey, Director of Risk Services

SUBJECT: HF 518, Changes to Iowa's Workers' Compensation Law

The 2017 Legislative session brought changes to the Iowa Workers' Compensation law. HF 518 was signed into law on March 30, 2017 by Governor Branstad. The bill changed several areas of the law. These changes will apply to claims which occur on or after July 1, 2017. Here is a summary of changes made:

**Shoulder Injuries:** Shoulder injuries will now be compensated as a schedule member injury based on a 400 week schedule. Previously shoulder injuries were compensated based on the employees estimated loss of earning capacity. If an employee is unable to return to work as a result of the shoulder injury, the employee will be evaluated by the Department of Workforce Development for possible vocational training.

**Light Duty:** If the employer offers an employee on restricted duty suitable work and the employee refuses to accept it, the employee will not be entitled to temporary total or temporary partial disability benefits. The law has specific requirements the employer must meet to use this defense.

**Intoxication:** If an injured employee tests positive for drugs or alcohol following an injury it is presumed the employee was intoxicated and the intoxication was the substantial factor in causing the injury. Previously it was up to the employer to show the intoxication caused the injury.

**Date of Injury:** The date of injury is the date the employee knew or should have known the injury/condition was work-related.

**Permanent Partial Disability Benefits:** Benefits will commence once maximum medical improvement is reached and the permanent partial impairment has been determined. Previously benefits began when the employee returned to work.

**Interest:** Interest on all compensation not paid when accrued will now be the one-year treasury constant plus 2 percent, previously it was 10 percent.

This is a brief overview of the changes that will most impact IMWCA members. The [entire signed bill](#) can be reviewed online.