



Montana Department of
LABOR & INDUSTRY
Employment Relations Division

Steve Bullock, Governor
Pam Bucy, Commissioner

**Workers' Compensation
Claims Assistance Bureau**
Claims Assistance Unit

June 2016

TO: Interested Parties

FROM: Barb Gullickson, Claims Supervisor
Workers' Compensation Claims Assistance Bureau

RE: Permanent Total Disability Benefit
Cost of Living Increase

Section 39-71-702(5), MCA, allows an adjustment of permanent total disability benefits (PTD) for the cost of living on post July 1, 1987 claims. The state's average weekly wage effective July 1, 2016 is \$756. The percentage increase from \$733 (last year's average weekly wage) to \$756 is 3.14%.

For dates of injury occurring on or after July 1, 1987 through March 25, 2003, the cost of living adjustment is the percentage increase, if any, in the state's average weekly wage as adopted by the department over the state's average weekly wage adopted for the previous year, or 3%, whichever is less. Therefore, for dates of injury occurring before March 26, 2003, **a figure of 3%** should be applied to the benefit amount of any worker who has received 104 weeks of permanent total disability benefits before July 1, 2016 on a post July 1, 1987 claim.

For dates of injury occurring on or after March 26, 2003, the cost of living adjustment is the percentage increase, if any, in the state's average weekly wage as adopted by the department over the state's average weekly wage adopted for the previous year. Section 39-71-702(5), MCA, effective March 26, 2003, removed the provisions limiting a worker to a maximum of 10 benefit adjustments and limiting the adjustment percentage increase to 3%. Therefore, for dates of injury occurring on or after March 26, 2003, **a figure of 3.14%** should be applied to the benefit amount of any worker who has received 104 weeks of permanent total disability benefits before July 1, 2016.

Please direct any questions to Barb Gullickson, Supervisor, Claims Unit, (406) 444-6451.