WORKER'S DISABILITY COMPENSATION ACT OF 1969 (EXCERPT)
Act 317 of 1969

CHAPTER 2
ADMINISTRATION

418.201 Bureau of worker's compensation; creation; director.
   Sec. 201. The bureau of worker's compensation, herein referred to as the bureau, is created within the department of labor. The position of director of the bureau is created. The director shall possess the powers and perform the duties granted and imposed by this act. As used in this act, "director" means the director of the bureau or his or her duly authorized representative.
   Compiler's note: For creation of bureau of worker's and unemployment compensation within department of consumer and industry services; transfer of powers and duties of bureau of worker's compensation and unemployment agency to bureau of worker's and unemployment compensation; transfer of powers and duties of director of bureau of worker's compensation and director of unemployment agency to director of bureau of worker's and unemployment compensation; and, transfer of powers and duties of worker's compensation board of magistrates to bureau of worker's and unemployment compensation, see E.R.O. No. 2002-1, compiled at MCL 445.2004 of the Michigan Compiled Laws.
   For creation of the workers' compensation agency as type II agency within the department of labor and economic growth, see E.R.O. No. 2003-1, compiled at MCL 445.2011.
   For the transfer of powers and duties of the workers' compensation agency from the department of licensing and regulatory affairs to the department of labor and economic opportunity and the renaming of workers' compensation agency as the workers' disability compensation agency, see E.R.O. No. 2019-3, compiled at MCL 125.1998.
   Popular name: Act 317

418.203 Director; appointment, term, salary, removal, vacancy, expenses.
   Sec. 203. The director shall be appointed by the governor, with the advice and consent of the senate, for a term of 3 years, beginning on February 1, 1967 and each 3 years thereafter. The director shall hold office until his successor is appointed and qualified. The director shall receive an annual salary as appropriated by the legislature. He shall be subject to removal by the governor for cause after due notice and hearing. A vacancy shall be filled for an unexpired term in the same manner as the original appointment. The director shall be entitled to necessary traveling expenses incurred in the performance of official duties subject to the standardized travel regulations of the state.
   Popular name: Act 317

418.205 Powers and duties of director.
   Sec. 205. The director shall devote his or her entire time to and personally perform the duties of his or her office and shall engage in no other business or professional activity. He or she may make rules not inconsistent with this act for carrying out the provisions of the act in accordance with the administrative procedures act of 1969, 1969 PA 306, MCL 24.201 to 24.328. He or she shall appoint assistants and employees as necessary, who are entitled to necessary traveling expenses incurred in performing official duties subject to the standardized travel regulations of this state, and compensation in accordance with applicable civil service rules. He or she has general supervisory control of the agency and all its officers and employees. He or she has charge of assigning the work of the agency to the assistants and employees. Cases involving a carrier terminating the voluntary payment of benefits and cases involving a petition to stop or reduce compensation shall be held within 60 days and take precedence over other cases. The director may provide assistance to employers and employees in resolving small disputes. He or she has general charge of all administrative functions of the agency and may delegate the duties, administrative functions, and the authority incident to those duties and functions.
   Compiler's note: For legislative intent as to severability, see Compiler's note to MCL 418.213.
   For creation of the workers' compensation agency as type II agency within the department of labor and economic growth, see E.R.O. No. 2003-1, compiled at MCL 445.2011.
   Enacting section 2 of Act 266 of 2011 provides:
   "Enacting section 2. This amendatory act applies to injuries incurred on or after its effective date."
   For the transfer of powers and duties of the workers' compensation agency from the department of licensing and regulatory affairs to
the department of labor and economic opportunity and the renaming of workers' compensation agency as the workers' disability compensation agency, see E.R.O. No. 2019-3, compiled at MCL 125.1998.

Popular name: Act 317

Administrative rules: R 408.31 et seq.; R 408.43i; R 408.43s; R 418.10101 et seq.; and R 418.10104 et seq. of the Michigan Administrative Code.

418.206 Position of hearing referee abolished; powers and duties of worker's compensation magistrates; hearings.

Sec. 206. (1) The position of hearing referee under this act is abolished as of March 31, 1987.

(2) Only worker's compensation magistrates shall hear cases for which an application for a hearing under section 847 has been filed after March 31, 1986 and shall have the powers and perform the duties prescribed in this act.

(3) Any case for which an application for a hearing under section 847 has been filed before April 1, 1986 and which has not been heard by a hearing referee by March 31, 1987 shall be heard by a worker's compensation magistrate according to the law and procedures applicable to cases heard by hearing referees.


Constitutionality: Amendment of the workers' compensation act to abolish the civil service position of hearing referee and establish a Board of Magistrates in its place outside the civil service system to hear and adjudicate workers' compensation claims did not violate the civil service provision of the constitution. Civil Service Commission v Department of Labor, 424 Mich 571; 384 NW2d 728 (1986).

Compiler's note: For legislative intent as to severability, see Compiler's note to MCL 418.213.

Popular name: Act 317

418.207 Introductory and continuing legal education courses in worker's compensation.

Sec. 207. The chairperson of the worker's compensation board of magistrates shall consult with law schools, the state bar of Michigan, and other legal associations for the purpose of establishing introductory and continuing legal education courses in worker's compensation. Worker's compensation magistrates, as a condition of continued employment, may be required to attend these courses. Applicants for the position of worker's compensation magistrate may also be required to attend these courses.


Compiler's note: For legislative intent as to severability, see Compiler's note to MCL 418.213.

Popular name: Act 317


Compiler's note: The repealed section pertained to appointment of 6-member qualifications advisory committee

Popular name: Act 317

418.210 Appointment of worker's compensation magistrate.

Sec. 210. The governor shall appoint as a worker's compensation magistrate within the Michigan administrative hearing system only an individual who is a member in good standing of the state bar of Michigan and has been an attorney licensed to practice in the courts of this state for 5 years or more.


Compiler's note: For legislative intent as to severability, see Compiler's note to MCL 418.213.

For abolishment of the qualifications advisory committee and establishment of the new qualifications advisory committee within the worker's compensation agency, see E.R.O. No. 2003-1, compiled at MCL 445.2011.

Enacting section 2 of Act 266 of 2011 provides:
"Enacting section 2. This amendatory act applies to injuries incurred on or after its effective date."

Popular name: Act 317


Compiler's note: The repealed section pertained to appointment of hearing referees.

Popular name: Act 317

418.212 Evaluating performance of worker's compensation magistrate; frequency; criteria; report; removal; recommendations.

Sec. 212. (1) The executive director of the Michigan administrative hearing system and the chair of the worker's compensation board of magistrates, in consultation, shall annually evaluate the performance of each worker's compensation magistrate. The evaluation shall be based upon at least the following criteria:

(a) The rate of affirmance by the Michigan compensation appellate commission of the worker's compensation magistrate's opinions and orders.

(2) The criteria and the resulting report shall be used by the board of magistrates to determine whether magistrates are fit to continue in office.

(3) In the event that the director or the chair of the board of magistrates determines that a magistrate is not fit to continue in office, the director or the chair shall provide the magistrate with a written notice of the alleged deficiencies in performance.

(4) If the magistrate fails to respond to the written notice within 30 days, the director or chair of the board of magistrates shall either remove the magistrate or place the magistrate on administrative leave.

(5) If the magistrate is removed or placed on administrative leave, the director or chair of the board of magistrates shall provide the magistrate with written notice of the reason for the removal or administrative leave.


Compiler's note: For legislative intent as to severability, see Compiler's note to MCL 418.213.

For abolishment of the qualifications advisory committee and establishment of the new qualifications advisory committee within the worker's compensation agency, see E.R.O. No. 2003-1, compiled at MCL 445.2011.

Enacting section 2 of Act 266 of 2011 provides:
"Enacting section 2. This amendatory act applies to injuries incurred on or after its effective date."

Popular name: Act 317
(b) Productivity including reasonable time deadlines for disposing of cases and adherence to established productivity standards.

(c) Manner in conducting hearings.

(d) Knowledge of rules of evidence as demonstrated by transcripts of the hearings conducted by the worker's compensation magistrate.

(e) Knowledge of the law.

(f) Evidence of any demonstrable bias against particular defendants, claimants, or attorneys.

(g) Written surveys or comments of all interested parties. Information obtained under this subdivision is exempt from disclosure under the freedom of information act, 1976 PA 442, MCL 15.231 to 15.246.

(2) Upon completing an evaluation under this section, the executive director of the Michigan administrative hearing system shall submit a written report including any supporting documentation to the director of the department of licensing and regulatory affairs regarding that evaluation, which may include recommendations with regard to 1 or more of the following:

(a) Retention.

(b) Suspension.

(c) Removal.

(d) Additional training or education.

(3) The governor may remove a magistrate upon recommendation by the director of the department of licensing and regulatory affairs based upon recommendations in a report under subsection (2) or upon other neglect of duties.


Compiler's note: For legislative intent as to severability, see Compiler's note to MCL 418.213.

Enacting section 2 of Act 266 of 2011 provides: "Enacting section 2. This amendatory act applies to injuries incurred on or after its effective date."

For the abolishment of the qualifications advisory committee and establishment of the new qualifications advisory committee within the worker's compensation agency, see E.R.O. No. 2003-1, compiled at MCL 445.2032.

For the abolishment of the qualifications advisory committee and establishment of the new qualifications advisory committee within the workers' disability compensation agency, the transfer of the workers' disability compensation agency and the workers' compensation board of magistrates from the department of licensing and regulatory affairs to the department of labor and economic opportunity, see E.R.O. No. 2019-3, compiled at MCL 125.1998.

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(5) The chairperson of the board shall serve as chairperson at the pleasure of the governor.

(6) Each member of the board shall receive an annual salary and shall receive necessary traveling expenses incurred in the performance of official duties subject to the standardized travel regulations of the state.

(7) The Michigan administrative hearing system may employ the staff it considers necessary to be able to perform its duties under this act, which may include legal assistants for the purpose of legal research and otherwise assisting the board and individual members of the board.

(8) The Michigan administrative hearing system may promulgate rules on administrative hearing procedures for purposes under this act.

(9) The chairperson of the board may assign and reassign worker's compensation magistrates to hear cases at locations in this state.

(10) The department of licensing and regulatory affairs shall provide suitable office space for the board of worker's compensation magistrates and the employees of the board.


Constitutionality: Amendment of the workers' compensation act to abolish the civil service position of hearing referee and establish a Board of Magistrates in its place outside the civil service system to hear and adjudicate workers' compensation claims did not violate the civil service provision of the constitution. Civil Service Commission v Department of Labor, 424 Mich 571; 384 NW2d 728 (1986).

Compiler's note: Section 4 of Act 103 of 1985 provides:

Section 4. (1) It is the manifest intent of the legislature that if section 213 of this amendatory act is found to be invalid by the state supreme court, the amendments made by this amendatory act to the following sections shall also be invalid and are not severable from section 213:

(a) Section 222.
(b) Section 274.
(c) Section 858.
(d) Section 801.
(e) Section 835(1).
(f) Section 161(1)(d) and (4).
(g) Section 171(3) and (4).
(h) Section 119.
(i) Section 354(1)(f).
(j) Section 335.
(k) Sections 921, 925, and 935.
(l) Section 315(1).
(m) Section 361(1).
(n) Section 852.
(o) Section 641.
(p) Section 385.
(q) Section 851.
(r) Section 861a(3).
(s) Section 862(2).
(t) Section 151(1)(b).
(u) Section 206.
(v) Section 266.
(w) Section 251(3).
(x) Section 255(3).
(y) Section 261(5).
(z) Section 265(4).
(aa) Section 851a(2).
(bb) Section 859(2).
(cc) Section 381(3).
(dd) Section 859a.
(ee) Section 860.

(2) It is the manifest intent of the legislature that if section 213 or any other section of this amendatory act is found to be invalid by the state supreme court, the amendments made by this amendatory act to the following sections shall be valid and are severable from the invalid section or sections:

(a) Section 251(1) and (2).
(b) Section 847.
(c) Section 223.
(d) Section 864.
(e) Section 205.
(f) Section 835(5).
(g) Section 835a.
(h) Section 315(2) to (9).
(i) Section 301.
(j) Section 401.
(k) Section 841.
(l) Section 54(16).
(m) Section 261(1) to (4).”
For creation of bureau of worker's and unemployment compensation within department of consumer and industry services; transfer of powers and duties of bureau of worker's compensation and unemployment agency to bureau of worker's and unemployment compensation; transfer of powers and duties of director of bureau of worker's compensation and director of unemployment agency to director of bureau of worker's and unemployment compensation; and, transfer of powers and duties of wage and hour division of worker's compensation board of magistrates to bureau of worker's and unemployment compensation, see E.R.O. No. 2002-1, compiled at MCL 445.2004 of the Michigan Compiled Laws.

Enacting section 2 of Act 266 of 2011 provides:
"Enacting section 2. This amendatory act applies to injuries incurred on or after its effective date."


For the transfer of powers and duties of the executive director of the Michigan administrative hearing system to the director of the workers' disability compensation agency, and the transfer of the workers' disability compensation agency and the workers' compensation board of magistrates from the department of licensing and regulatory affairs to the department of labor and economic opportunity, see E.R.O. No. 2019-3, compiled at MCL 125.1998.

Popular name: Act 317


Compiler's note: The repealed section pertained to providing space for bureau of workmen's compensation.

Popular name: Act 317

418.221 Blank forms; printing, cost.

Sec. 221. The bureau shall print and furnish free of charge to any employer or employee such blank forms as the director deems requisite to facilitate or promote the efficient administration of this act.


Popular name: Act 317

418.222 Application for mediation or hearing; forwarding copy to employer and carrier; carrier to file written response; return of incomplete application or written response; medical records; proof of compliance; contents of application or written response; notice of intention to call witnesses; willful noncompliance.

Sec. 222. (1) After March 31, 1986, the bureau, upon receiving a completed application for mediation or hearing from a claimant, shall forward a copy of the application to the employer and carrier. Within 30 days of receiving a completed application for mediation or hearing from the bureau, the carrier shall file a written response to the application with the bureau upon a form provided by the bureau. Any application for mediation or hearing or any written response which is determined by the bureau to be incomplete shall be returned with an explanation of the additional information needed.

(2) At the time of filing an application for hearing or mediation, the claimant shall also provide the carrier with any medical records relevant to the claim that are in the claimant’s possession. At the time of filing the written response, the carrier shall also provide the claimant with any medical records of the carrier or employer concerning the employee that are relevant to the claim and in existence at the time of filing. The parties shall submit proof of compliance with this subsection with the bureau.

(3) The application for mediation or hearing shall be as prescribed by the bureau and shall contain factual information regarding the nature of the injury, the date of injury, the names and addresses of any witnesses, except employees currently employed by the employer, the names and addresses of any doctors, hospitals, or other health care providers who treated the employee with regard to the personal injury, the name and address of the employer, the dates on which the employee was unable to work because of the personal injury, whether the employee had any other employment at the time of, or subsequent to, the date of the personal injury and the names and addresses of the employers, and any other information required by the bureau.

(4) The written response of the carrier shall be as prescribed by the bureau and shall specify any legal grounds supporting its position, any factual matters that are disputed, whether there was a medical examination of the claimant and who performed it, and any other information required by the bureau.

(5) The claimant shall notify the carrier of the intention to call witnesses who are currently employed by the employer.

(6) The willful failure of a party to comply with this section shall prohibit that party from proceeding under this act.


Compiler's note: For legislative intent as to severability, see Compiler's note to MCL 418.213.

Popular name: Act 317


Compiler's note: The repealed section pertained to mediation of claims by parties.
418.225 Statistics; compiling, annual report.
Sec. 225. The director shall cause such statistics incident to the functions of the bureau to be compiled as may be in his discretion advisable. On or before April 1 of each year the director shall make and file a report covering the year prior to the preceding January 1.

418.230 Confidential records; exceptions; power of court to subpoena records not limited; definition.
Sec. 230. (1) Except as otherwise provided in this section, the following records are confidential and exempt from disclosure under the freedom of information act, 1976 PA 442, MCL 15.231 to 15.246:
(a) Records submitted by an individual employer or a group of employers to the bureau in support of an application for self-insured status in the manner provided in section 611.
(b) Information concerning the injury of and benefits paid to an individual worker. This includes, but is not limited to, all forms, records, and reports filed with or maintained by the bureau concerning the injury of or benefits paid to a worker.
(c) Worker's disability compensation insurance policy information submitted to the bureau by an individual employer or group of employers in accordance with section 615 or a notice of issuance of a policy submitted to the bureau by an insurer in accordance with section 625.
(2) The bureau may release, disclose, or publish information described in subsection (1) under the following circumstances:
(a) In the case of subsection (1)(a), (b), or (c), the bureau may disclose or publish aggregate information for statistical or research purposes so long as it is disclosed or published in such a way that the confidentiality of information concerning individual workers and the financial records of individual employers or self-insured employers or insurers is protected. The bureau may also release individual records to a recognized academic or scholarly institution for research purposes if it is provided with sufficient assurance that the outside individual or agency will preserve the confidentiality of information concerning individual workers and the financial records of individual self-insured employers.
(b) In the case of subsection (1)(b), the bureau may release information to another governmental agency if the governmental agency provides the bureau with sufficient assurance that it will preserve the confidentiality of the information. The other agency may use this information to determine the eligibility of an individual for benefits provided or regulated by that agency. The bureau or another agency may disclose the information if it determines that the individual is receiving benefits to which he or she is not entitled as the result of receiving more than 1 benefit at the same time.
(c) Except as otherwise provided, information disclosed in accordance with subdivision (a) or (b) shall continue to be exempt from disclosure under the freedom of information act, 1976 PA 442, MCL 15.231 to 15.246.
(d) In the case of subsection (1)(b), the bureau may release individual records to a nonprofit health care corporation, as defined in section 105 of the nonprofit health care corporation reform act, 1980 PA 350, MCL 550.1105, for the sole purpose of determining financial liability for the payment of benefits provided by the corporation. Any information provided to the nonprofit health care corporation shall be confidential, as provided in section 406 of the nonprofit health care corporation reform act, 1980 PA 350, MCL 550.1406. In a dispute over who assumes liability for the payment of benefits for a particular claim, the nonprofit health care corporation shall initiate payment of benefits pending resolution of the dispute.
(e) In the case of subsection (1)(c), in response to a request that pertains to a specific employer and includes the employer's address and the date of injury of the claim for which the information is requested, the bureau may disclose the name and address of the insurer that, according to the records of the bureau, provided coverage on the date of injury, but shall not disclose the effective date or expiration date of the policy.
(3) The confidentiality provided for in subsection (1) does not apply to records maintained by the bureau that are part of or directly related to a contested case. For the purposes of this subsection, a matter shall be considered a contested case when it is the subject of a request for a formal hearing before the director or an application filed in accordance with section 847.
(4) Any employee is entitled to inspect and obtain a copy of any record maintained by the bureau concerning himself or herself. Any employer is entitled to inspect and obtain a copy of any record maintained by the bureau concerning itself.
(5) The confidentiality provided for in subsection (1)(a) does not apply to the records of a self-insured
employer that becomes unable to pay benefits under this act due to insolvency or declaration of bankruptcy.

(6) This section does not limit the power of a court of law to subpoena records relevant to a matter pending before it.

(7) Notwithstanding this section, the bureau shall release information to the IV-D agency in accordance with section 4 of the office of child support act, 1971 PA 174, MCL 400.231 to 400.239. As used in this subsection, "IV-D agency" means that term as defined in section 2 of the support and parenting time enforcement act, 1982 PA 295, MCL 552.602.


Compiler's note: Section 3 of Act 198 of 1993 provides as follows:

"Section 3. (1) Except as provided in subsection (2), this amendatory act shall not take effect unless the state administrative board certifies in writing to the secretary of state by December 31, 1994 that an agreement for the transfer of all or substantially all of the assets and the assumption of all or substantially all of the liabilities of the state accident fund has been consummated with a permitted transferee pursuant to the requirements of section 701a of the worker's disability compensation act of 1969, Act No. 317 of the Public Acts of 1969, being section 418.701a of the Michigan Compiled Laws, as added by this amendatory act.

"(2) Sections 700 and 701a as added by this amendatory act shall take effect upon the date of enactment of this amendatory act."

Popular name: Act 317

418.231 Obsolete records; destruction.

Sec. 231. At the discretion of the director, the bureau may destroy any record, file or paper pertaining to workmen's compensation 20 years after the date of injury to which the record, file or paper refers.


Popular name: Act 317

418.235 Conducting business at public meeting; notice of meeting; availability of writings to public.

Sec. 235. (1) The business which the board of trustees under chapter 5 may perform shall be conducted at a public meeting of the board of trustees under chapter 5 held in compliance with Act No. 267 of the Public Acts of 1976, as amended, being sections 15.261 to 15.275 of the Michigan Compiled Laws. Public notice of the time, date, and place of the meeting shall be given in the manner required by Act No. 267 of the Public Acts of 1976, as amended.

(2) A writing prepared, owned, used, in the possession of, or retained by the bureau, the board, or the board of trustees under chapter 5 in the performance of an official function shall be made available to the public in compliance with Act No. 442 of the Public Acts of 1976, as amended, being sections 15.231 to 15.246 of the Michigan Compiled Laws.


Popular name: Act 317


Compiler's note: The repealed section pertained to creation and composition of worker's compensation appeal board.

Popular name: Act 317


Compiler's note: The repealed section pertained to powers and duties of worker's compensation appeal board.

Popular name: Act 317


Compiler's note: The repealed sections pertained to worker's compensation appeal board, and to powers and duties of worker's compensation appeal board.

Popular name: Act 317


Compiler's note: The repealed section pertained to employment of chief administrative officer, powers and duties of chairperson, rules, and disposition of matters pending on review.

Popular name: Act 317


Compiler's note: The repealed section pertained to salaries, expenses, and office hours of worker's compensation appeal board.

Popular name: Act 317

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Compiler's note: The repealed section pertained to repeal of MCL 418.251, 418.252, and 418.261, and remand and review of cases.

Popular name: Act 317

418.274 Michigan compensation appellate commission; power and authority of commission; rules on administrative appellate procedures; assignment and reassignment of matters; decisions; review and decision by entire commission; writing and publication of opinions; office space.

Sec. 274. (1) The Michigan compensation appellate commission created in Executive Reorganization Order No. 2011-6, MCL 445.2032, and housed within the Michigan administrative hearing system, may handle, process, and decide appeals from orders of the director and hearing referees and the orders and opinions of the worker's compensation magistrates as provided for under this act. The commission may promulgate rules on administrative appellate procedure for purposes under this act.

(2) Except as otherwise provided in subsection (3), matters that are to be reviewed by the commission shall be randomly assigned to a panel of 3 members of the commission for disposition. The chairperson of the commission may reassign a matter in order to ensure timely review and decision of that matter. The decision reached by a majority of the assigned 3 members of a panel shall be the final decision of the commission.

(3) Any matter that is to be reviewed by the commission that may establish a precedent with regard to worker's compensation in this state as determined by the chairperson, or any matter that 2 or more members of the commission request be reviewed by the entire commission, shall be reviewed and decided by the entire commission.

(4) Opinions of the commission shall be in writing. The commission shall provide for the publication of those opinions.

(5) The department of licensing and regulatory affairs shall provide suitable office space for the commission and employees of the commission.


Compiler's note: For legislative intent as to severability, see Compiler's note to MCL 418.213.

For abolishment of the qualifications advisory committee and establishment of the new qualifications advisory committee within the worker's compensation agency, see E.R.O. No. 2003-1, compiled at MCL 445.2011.

Enacting section 2 of Act 266 of 2011 provides:

"Enacting section 2. This amendatory act applies to injuries incurred on or after its effective date."

For the transfer of powers and duties from the department of licensing and regulatory affairs to the department of labor and economic opportunity, see E.R.O. No. 2019-3, compiled at MCL 125.1998.

For the abolishment of the Michigan compensation appellate commission and establishment of the new workers' disability compensation appeals commission within the workers' disability compensation agency in the department of labor and economic opportunity and the transfer of certain powers and duties of the Michigan compensation appellate commission to the workers' disability compensation appeals commission, see E.R.O. No. 2019-3, compiled at MCL 125.1998.

Popular name: Act 317