

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

418.862 Claim for review as stay of payment; commencement and duration of payment; withholding benefits accruing prior to award; reimbursement of carrier; payment by carrier; interest; payments as accrued compensation in determining attorneys' fees; medical benefits.

Sec. 862.

(1) A claim for review filed pursuant to section 859a, 861, or 864(11) does not operate as a stay of payment to the claimant of 70% of the weekly benefit required by the terms of the award of the worker's compensation magistrate or arbitrator. Payment shall commence as of the date of the worker's compensation magistrate's or arbitrator's award, and shall continue until final determination of the appeal or for a shorter period if specified in the award. Benefits accruing prior to the award shall be withheld until final determination of the appeal. If the weekly benefit is reduced or rescinded by a final determination, the carrier is entitled to reimbursement in a sum equal to the compensation paid pending the appeal in excess of the amount finally determined. Reimbursement shall be paid upon audit and proper voucher from the second injury fund established in chapter 5. If the award is affirmed by a final determination, the carrier shall pay all compensation which has become due under the provisions of the award, less any compensation already paid. Interest shall not be paid on amounts paid pending final determination. Payments made to the claimant during the appeal period is considered as accrued compensation for purposes of determining attorneys' fees under the rules of the agency.

(2) A claim for review filed pursuant to section 859a or 864(11) of a case for which an application under section 847 is filed after March 31, 1986 does not operate as a stay of providing reasonable and necessary medical benefits required by the terms of the award. Medical benefits shall be provided as of the date of the award and shall continue until final determination of the appeal or for a shorter period if specified in the award. Benefits accruing prior to the award shall be withheld until final determination of the appeal. If the benefit amount is reduced or rescinded by a final determination, the carrier shall be reimbursed for the amount of the expenses incurred in providing the medical benefits pending the appeal in excess of the amount finally determined. Reimbursement shall be paid upon audit and proper voucher from the general fund of the state. If the award is affirmed by a final determination, the carrier shall provide all medical benefits that have become due under the provisions of the award, less any benefits already provided for. Interest shall not be paid on amounts paid pending final determination.

History: Add. 1975, Act 34, Imd. Eff. May 6, 1975 ;-- Am. 1985, Act 103, Imd. Eff. July 30, 1985 ;-- Am. 1994, Act 271, Imd. Eff. July 11, 1994 ;-- Am. 2011, Act 266, Imd. Eff. Dec. 19, 2011

Constitutionality: This section, the "70% statute", is constitutional. *McAvoy v H B Sherman Company*, 401 Mich 419; 258 NW2d 414 (1977).

Compiler's Notes: 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."

Popular Name: Act 317