
Workers' Compensation Program

**WORKERS' COMPENSATION
BENEFITS FOR EMPLOYEES**

**Workers' Compensation Commission
Commonwealth of the Northern Mariana Islands**

Purpose

The CNMI Workers' Compensation Law was established on October 25, 1989, with the enactment of Public Law 6-33. The statute is codified and may be found under Title 4, Division 9, Chapter 3, of the Commonwealth Code. The purpose of this program is to provide cash benefits, medical care, and rehabilitative services to employees who suffer job-related injuries or deaths. At the same time, it protects the employers from the rising cost of damages by limiting the amount employees may recover for on the job injuries or deaths.

Types of Benefits

Employees are entitled to several benefits provided under the law. These benefits are to be paid promptly by the law.

1. **Disability benefit** is a direct cash payment to you as an employee when you suffer a job-related injury that causes you to lose time off from work, and which does not permit you to earn regular wages. This is paid to you regardless of whether you are entitled to any leave benefits. There are several categories of disability benefits:

- a. **Permanent Partial Disability (PPD)** is when an employee permanently loses the use of one of the arms, legs, hands, eye and so forth. If you become partially disabled, determined to be permanent, a benefit of sixty-six and two-thirds percent (66 2/3%) of your average weekly wages is payable, in addition to the disability benefit for temporary total or temporary partial disability, but not to exceed the maximum weekly disability benefit. Permanent partial disability benefit is a scheduled benefit, the length of which is dependent upon which part of the body is lost. If you subsequently die, any remaining disability benefit provided for permanent partial disability might be paid to your survivors, even if the contributing cause of your death did not arise out of the injury. This benefit is in addition to the normal death benefit. The benefit is paid to eligible survivors; if no survivors, no benefit will be paid.
 - b. **Permanent Total Disability (PTD)** is when you lose hands, arms, feet, legs, eyes, or a combination of these, which causes you to be permanent and totally disabled. If you become totally disabled, determined to be permanent, a benefit of sixty-six and two-thirds percent (66 2/3%) of your average weekly wages is payable, but not to exceed the maximum weekly disability benefit.
 - c. **Temporary Total Disability (TTD)** is when you are only temporarily unable to return to work, during which time you lose wages. This disability may be due to a sprained ankle or other disabling injuries which, if properly treated, will bring you back to normal condition in due time, generally in less than one year. If you become totally disabled, determined to be temporary, a benefit of sixty-six and two-thirds percent (66 2/3%) of your average weekly wages is payable, but not to exceed the maximum weekly disability benefit.
 - d. **Temporary Partial Disability (TPD)** is when you suffer an injury that renders you temporarily and partially disabled, and which results in the decrease of your earning capacity. If you become partially disabled, determined to be temporary, your benefit shall be two-thirds (2/3) of the difference between your average weekly wages before becoming disabled, and the average weekly after the disability, regardless of where you were employed.
2. **Medical and Hospital Benefits** are paid to the qualified provider (physician, nurse, or hospital) who extended to you any remedial treatment and care for your injury. The payment of medical benefit includes the supplies used in the process of the treatment. This benefit continues, without limitations, as the nature of your injury or the process of your recovery may require.
 3. **Death Benefit** is paid to your surviving legal spouse, child, or eligible relative. This includes reasonable funeral expenses of up \$1,200. The benefit for your surviving spouse benefit, if you have no child, is paid at 35% of your average weekly wages, up to the remarriage or death of the spouse. If you have a surviving child, but no surviving spouse, your child will receive 35% of your average wages. In any event, the combined benefits for all eligible survivors must not exceed 66-2/3% of your average weekly wages. If you have no surviving spouse or surviving child, then certain of your surviving relatives may be eligible for a benefit. If no survivor is eligible for a benefit, then the carrier will pay to the Special Disability Fund the amount of \$10,000, as a result of your death.

Eligibility for Benefits

Every employee, as defined in 4 CMC §9302(1), whether in the private or public sector, and whether legally or illegally employed, is eligible and entitled to the benefits provided under the Workers' Compensation law.

Responsibility for Premium Payment

The cost for securing workers' compensation insurance is solely the responsibility of your employer. Your employer must not take any deductions from your salary or wages for the purpose of paying premiums for workers' compensation insurance. If this happens to you, report it to the Workers' Compensation Commission.

Health Insurance Set-Off

If your employer pays for more than one-half (1/2) of the premium in a group health insurance plan as a benefit to you, then your employer is required to be covered for workers' compensation coverage for medical services and supplies, only to the extent of what is not covered by the group health coverage.

Prompt and Direct Payment Required

Compensation payment will be paid promptly and directly to you, except where the liability to pay is denied (controverted) by your employer.

Posting of Notice

Your employer is required to post in conspicuous places within the employer's place of business a notice with respect to workers' compensation coverage. Such notice must contain the name and address of the carrier with whom such coverage was obtained, as well as the expiration date of the coverage. The information contained in this notice should be helpful to you in applying for benefits from the carrier.

Record and Report of Injury

Your employer is required to maintain an accurate record of your injuries. At the same time, your employer is required to submit a report of any injury or death within 10 days after the date of your injury or after having knowledge of such injury or death. A copy of the injury report must be provided to you.

Exclusive Liability

If your employer has secured workers' compensation coverage, your right to recover compensation under the Workers' Compensation Law constitutes the exclusive remedy for any work-related injury or death. This means that your right to recover any damages resulting from on the job injury is limited to the current maximum amount of \$40,000, or such other amount as subsequently established. This provision does not apply when your employer fails to secure workers' compensation coverage. This means that you have the right to sue your employer for damages exceeding the limitation established in the workers' compensation law as a result of your job-related injury.

Injury Increasing Disability

An injury, which by itself results in permanent partial disability, and if combined with a previous injury would result in permanent total disability, the liability of the carrier is limited only to the permanent partial disability caused by the subsequent injury. Upon termination of the benefit for permanent partial disability, the injured employee should receive the remainder of the compensation that would be due for permanent total disability from the Special Disability Fund.

Maximum Benefit

The combination of any of these disability payments must not exceed two-third (2/3) of your average weekly wages, or \$140.00 per week, whichever is less. The maximum benefit is \$40,000, per injury, per employee. There is no maximum for medical expenses.

What to Do...

In the event that you sustained a work-related injury, regardless of the extent of the injury:

1. You must immediately report it to your supervisor or to the person designated to receive such a report. If treatment is necessary, your supervisor will prepare the Authorization for Treatment Form, (Form WCC-200A), to accompany you to the treating facility or physician.
2. You must also file a Notice of Injury on Form WCC-202 with the Workers' Compensation Commission, within 30 days from the date of injury.
3. If the injury causes disability, then the employer/carrier is obligated to directly and promptly pay you for one week in advance on the fourth day of your disability. Subsequent payments will be made on a biweekly basis unless otherwise determined by the Administrator.
4. If your employer/carrier denies you payment of compensation, you will receive a notice stating the reason for such denial. If you feel you have been wrongly denied compensation, you may file an Employee's Claim For Compensation with the Administrator on Form WCC-204, as soon as possible to expedite the settlement of your claim.

For more Information, contact the CNMI Workers' Compensation Commission office near you.

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