



California Applicants Attorneys Association
Affiliated with the International Brotherhood of Teamsters

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Permanent Disability Compensation Down 75%
Schwarzenegger Rating Schedule Cut Compensation by 60%
Beyond Legislature's Cuts in SB 899

SACRAMENTO, CA – Advocates for injured workers today released a chart showing that the Schwarzenegger Administration reduced permanent disability compensation by 60% over and above the reduction intended by the Legislature through SB 899 in 2004. The chart was compiled using insurance industry figures from the Workers Compensation Insurance Ratings Bureau (WCIRB). “Those injured while doing their jobs have been hammered by the prior administration’s rating schedule,” said California Applicants’ Attorneys Association (CAAA) President Barry Hinden. “Every dollar taken from an injured worker for a lost leg, foot or other disability has been given to the insurance industry. The changes have been extremely profitable for insurance companies, but not for those injured on the job.”

The chart (attached) shows that in addition to SB 899’s statutory reductions in permanent disability (17%), apportionment and fewer weeks of disability compensation for a particular injury, the Schwarzenegger Rating Schedule slashed permanent disability compensation by an even greater amount than that statute.

Around 55,000 California workers suffered a permanently disabling injury last year. For virtually all permanently disabled workers, permanent disability compensation from insurers is paid out at a maximum of \$230 per week until their award is exhausted. For example, the total benefit for loss of a foot is \$30,130. The amputee would receive \$230 per week for about 131 weeks. This amount is lower than in almost any other U.S. state, and lower than all neighboring states.

Huge Unintended Reduction in Permanent Disability Compensation

